



**Sandwell Metropolitan Borough Council
Business Rates**

Discretionary Business Grants Scheme Policy

2020/21



Meeting Ambitions 9 and 10

Ambition 9



Sandwell has become a location of choice for industries of the future where the local economy and high performing companies continue to grow.

Ambition 10



Sandwell now has a national reputation for getting things done, where all local partners are focused on what really matters in people's lives and communities.

1. INTRODUCTION

The current Coronavirus pandemic in the UK has resulted in many businesses suffering financial hardship.

On 1 May 2020 the Secretary of State for Business, Energy & Industrial Strategy (BEIS) announced that it was providing local authorities with additional funding to target small businesses with high fixed property related costs which are not eligible for the current Small Business Rates (SBR) and Retail, Hospitality and Leisure (RHL) grant schemes.

Sandwell will receive funding of £3.362m to provide discretionary grant payments to businesses.

2. GENERAL PRINCIPALS

The BEIS has confirmed that only small businesses or micro businesses will be eligible for a discretionary business grant. In addition, businesses must have been trading on 11 March 2020 and must not be in administration, insolvent or had a striking-off notice served against it.

Small businesses are defined as:

- Having a turnover of no more than £10.2m
- Having a balance sheet total of no more than £5.1m
- Employing no more than 50 people

Micro businesses are defined as:

- Having a turnover of no more than £632,000
- Having a balance sheet total of no more than £316,000
- Employing no more than 10 people

The BEIS has asked councils to use their local knowledge and discretion to award discretionary grants to businesses but has stipulated that priority should be given to applications from the following:

- Small businesses in shared offices or other flexible work spaces, e.g. industrial parks, science parks, incubators etc. which do not have their own business rates assessment;
- Regular market traders who do not have their own business rates assessment;
- B & B's which pay Council Tax instead of business rates; and
- Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.

Only one discretionary grant is payable per businesses. Sandwell is committed to helping as many businesses as possible through this discretionary scheme. Therefore, as well as considering grants from the above Sandwell will consider applications from any other business that needs financial support because of the pandemic.

Businesses currently eligible for the existing SBR grant or RHL grant are ineligible for a discretionary grant payment.

3. AMOUNTS PAYABLE

The BEIS will provide a fixed level of funding for this scheme. Sandwell will receive £3.362m to provide discretionary grant payments.

The scheme is therefore cash limited and when grants have been awarded up to this amount no further grant applications will be successful.

The BEIS has confirmed that grants may be paid in amounts between:

- Any amount up to £10,000; or
- £25,000

Sandwell will determine the amount awarded taking account of:

- The circumstances of the businesses
- The impact the pandemic has had on that business

- The social value the business brings to the borough
- The difference receipt of a grant would have on the sustainability of the business

As this is a cash limited scheme the number of applications received may also affect the amount awarded.

The payment will be made from the council's SBS financial system and will be made directly to the businesses bank account via an electronic transfer (BACS).

4. THE APPLICATION PROCESS

An online application form will be made available on **www.sandwell.gov.uk**

Businesses will be asked to provide evidence to support their application and the online facility will enable them to upload documents.

The application form will gather all the information required to satisfy the eligibility criteria set by the BEIS and locally to determine the amount of grant payable.

As this is a cash limited scheme there will be a 4-week application window in which businesses can apply. Applications received outside of this window will not be considered.

5. PUBLICITY

To maximise take-up the council will publicise the scheme using a variety of media, including the council's website and social media. We will work with all interested parties to achieve this.

A copy of this policy statement will be made available for inspection and will be posted on the Sandwell Council website **www.sandwell.gov.uk**.

6. DECISION MAKING PROCESS

All grant applications received will be considered by a panel of council officers.

In all cases, applicants will be notified of the decision in writing.

7. OVERPAYMENT AND FRAUD

The council will seek to recover grants found to be overpaid.

The council is committed to identifying and subsequently investigating suspected fraudulent claims made under this scheme. Businesses who falsely declare their circumstances will have committed a criminal offence, which may lead to criminal proceedings being instigated.