

### **Additional Restrictions Grant (Discretionary Policy): Draft**

#### **Government Guidance**

The Council is required to have in place a local discretionary scheme to support those affected by required closure but not on the Business Rates list. The fund is £6,595,420 and will not be topped up but can be spent up to 31<sup>st</sup> March 2022.

The Council's Discretionary Policy will comply with the government guidance.

This policy is written in accordance with guidance published in November 2020 and will be updated as and when required by changes in guidance.

The key elements required of the discretionary scheme are:

- i. Businesses required to close by regulation
- ii. Other businesses that may have no choice but to close, e.g. because their customer's businesses are closed; because essential suppliers are closed
- iii. Businesses that have been severely impacted by the restrictions put in place to control the spread of COVID-19
- iv. Payments made, will be up to the Council to decide the frequency and the amount.
- v. The guidance provides the examples of micro-businesses with fixed costs and businesses crucial to the local economy, number of employees, whether they are closed and if open the extent to which trade is down, scale of drop on revenue
- vi. The Council may use an application process
- vii. The Local Authority must call or write to the business, stating that by accepting the grant payment, the business confirms that they are eligible for the grant scheme, including that any payments accepted will comply with State aid requirements.
- viii. The Council is required to use its discretion in identifying the right business owner to receive this funding, based on its application process.

#### **Details of Draft Scheme**

The discretionary scheme for Brent will work as follows:

- i. Businesses wishing to apply must do so using the on-line application process to be provided
- ii. Where the business occupies a commercial property, or part of a property,
- iii. Businesses operating from domestic properties are not excluded

- iv. Businesses must have been trading on the first full day of National or LCAL3 restrictions to be eligible for support.
- v. Businesses must provide evidence that they have closed in accordance with regulations, or if not closed how their business has been affected, in particular by providing evidence of changes in revenue:
  - This will done by evidencing changes to the payments into the bank account of the business or person affected for the period they have been affected.
  - Where a business states that it is cash and does not have regular income into its bank, it will not qualify, as the council will be unable to verify loss of revenue.
- vi. Where a business can evidence that they have expenditure that they cannot meet, vital to the support of their business a grant may be made depending on the amount of expenditure, e.g. rent. No more than one grant will be paid per month per business.
- vii. Once an application has been made, the council will allow subsequent grants to the same business if the situation has not changed and further expenditure can be evidenced.
- viii. Grants will not be paid to companies that are in administration, insolvent, ceased trading or a striking-off notice has been made.
- ix. Businesses that have already received grant payments that equal the maximum levels of state aid will not qualify.
- x. The Council will check the declaration and use all resources available to do so.
- xi. The Council will monitor expenditure on a monthly basis to ensure the grant allocation is not exceeded.
- xii. In light of xi. above the Council will keep the scheme under review and amend it from time to time as required.

### **Evidence checking**

The grant scheme will be administered via an online form. This online form is specific to the Council and will be built in-house. It will have functionality to allow document upload in order that businesses provide required evidence that they meet the specified criteria.

- i. Businesses will need to demonstrate that they meet the eligibility criteria. The evidence that will be requested is likely to include:
  - Bank account statements;

- Evidence of the bill that needs paying (e.g rent or licence fees etc.)
  - Lease/tenancy agreements;
  - Evidence of fixed property costs e.g. utilities bills;
  - Certificate of incorporation.
- ii. Awards will not be made without sufficient evidence that the criteria are being met.

### **Administration**

Given the limited funding available to the Council the scheme will operate on a first come first service basis backed, where feasible, by clear and consistent promotion of the scheme in advance of any local restrictions being authorised.

### **Communication**

Clear communication around the scheme and its criteria will be crucial to demonstrate transparency around how decisions are to be made. The Employment, Skills, and Enterprise team will work closely with Communications to ensure that the scheme is publicised widely in advance of it opening. The following channels will be used:

- i. Business e-newsletter with over 7,000 subscribers
- ii. Direct email notification to every business who has enquired about the scheme to date
- iii. Press release and council website updates
- iv. Social media channels
- v. Dissemination through key partners e.g. FSB and West London Business

This communication work will commence ahead of the scheme going live to ensure that as many businesses as possible are made aware and can start gathering the necessary evidence ahead of applications opening.

### **Assessment of applications**

Applications will be considered by a dedicated review team with a recommendation made to a senior officer for approval. The process will be to review the information disclosed in the application and confirm the evidence provided supports the disclosures.

Once initial checks have been made to verify whether an applicant is eligible, those who do not meet all the criteria will be rejected and notified. Those who do meet all the criteria will be referred for

- i. further fraud and bank verification checks to ensure the data provided by businesses is accurate
- ii. Supplier set ups in Oracle to facilitate payments by BACS

Internal Audit will take a sample of completed applications and review each step of the process for accuracy and completeness. They will not be part of the approval process for each application.

Any award will be at the absolute discretion of the following:

- i. Head of Revenue and Debt
- ii. Head of Finance

Any representation regarding the appropriate administration of the Local Authority Discretionary Grants Scheme that cannot be resolved by the above will be referred to the Chief Executive or Director of Finance for determination.

There is no appeal mechanism but applicants can utilise the Council's complaint process if required.

### **Combatting fraud**

In order to ensure that Local Authority Discretionary Grants Scheme is not subject to potential abuse, all submitted applications will require a statutory declaration of truth, a statement regarding data processing and a recovery of funds statement. This declaration allows for the council, through the corporate Anti-Fraud team, to carry out pre-payment checks in order to give greater assurance that the funds are being claimed correctly. Furthermore, the declaration carries warnings which further allow the council to consider taking criminal action against persons who have been found to have deliberately made false applications for the funding. It also allows for the recovery of funds which have been paid which should not have been.