

The Discretionary Grants Fund Scheme and Government Guidance

Funding

- 1.1. Where there is residual funding from the SBG and RHLG allocations, this should be used to fund the 5% DGF allocation. Where there is insufficient or no residual funding, the government will provide additional funding. Haringey will have sufficient residual allocation to fund the 5% DGF allocation.
- 1.2. Should authorities end up paying out more SBG and RHLG than projected, then the 5% baseline allocation will be increased with an additional payment being made by the government to meet this additional expenditure. If a lower than projected spend is incurred, the baseline 5% will not be reduced. Haringey is not expected to spend in excess of this projection.

Grant Payment Levels

- 1.3. Local authorities have discretion to make grant payments of any amount under £10,000. It will be for local authorities to adapt this approach to local circumstances, such as providing support to micro businesses with fixed costs, or support for businesses that are crucial to their local economies. The guidance states that payments under £10,000 may be appropriate in many cases.
- 1.4. In taking decisions on the appropriate level of grant payments, the guidance suggests local authorities may want to take into account the level of fixed costs, number of employees, whether the business has had to close completely and are unable to trade online and the consequent scale of impact of COVID-19 losses.

Government guidance on who should benefit from the Scheme

- 1.5. These grants are primarily and predominately aimed at:
 - 1.5.1. Small and micro businesses as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006.
 - 1.5.2. Businesses with relatively high ongoing fixed property costs.
 - 1.5.3. Businesses which can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis.
 - 1.5.4. Businesses which occupy property or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.

- 1.6. The guidance sets out four business types it is asking local authorities to prioritise:
 - 1.6.1. Small businesses in shared offices or other flexible workspaces which do not have their own rates assessment.
 - 1.6.2. Regular market traders with fixed building costs such as rent, who do not have their own rates assessment.
 - 1.6.3. Bed and Breakfast which pay Council Tax instead of business rates.
 - 1.6.4. Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.

Eligibility

- 1.7. Businesses which are eligible for cash grants from any central government COVID related scheme (apart from SEISS) are ineligible for funding from this scheme. Such grant schemes include but are not limited to:
 - 1.7.1. Small Business Grant Fund
 - 1.7.2. Retail, Hospitality and Leisure Grant Fund
 - 1.7.3. The Fisheries Response Fund
 - 1.7.4. Domestic Seafood Supply Scheme
 - 1.7.5. The Zoos Support Fund
 - 1.7.6. The Dairy Hardship Fund
- 1.8. Businesses who have applied for the Coronavirus Job Retention Scheme are eligible to apply for this scheme.
- 1.9. Businesses who are eligible for the Self Employed Income Support Scheme (SEISS) are eligible to apply for this scheme.
- 1.10. Only businesses who were trading on 11 March 2020 are eligible.
- 1.11. Companies that are in administration, are insolvent or where a striking off notice has been made are not eligible for funding under this scheme.