

WARRINGTON BOROUGH COUNCIL
RECORD OF DECISION TAKEN BY AN OFFICER

DECISION TITLE:	Discretionary Business Grants - Top-up to local business grant funds scheme
Cabinet Decision No and/or Forward Plan No (Cabinet decisions only)	Key Decision No. 069/19 – 6 April 2020 FP No 069/19
Directorate Ref No (Non Cabinet decisions only) If applicable	n/a
Decision detail	<p><u>Decision to set up a discretionary fund to accommodate certain small businesses previously outside the scope of the business grant funds scheme.</u></p> <p>The purpose of the key decision made by Cabinet on 6 April 2020 was to seek delegated authority to officers to modify and award contracts as necessary to ensure the operation of council services by way of authorising officers to:</p> <ul style="list-style-type: none"> - Direct award or modify contracts pursuant Reg. 32 and Reg. 72 of the Public Contract Regulations 2015; and/or - Ensure service continuity pursuant Cabinet Office Policy Procurement Notes 02/20; and/or - Implement aid measures pursuant to existing State aid measures or the Temporary Framework to support the economy in the context of the COVID-19 outbreak. <p>Delegated approval was given and no call in was made in respect of the decision.</p> <p>On 2nd May the Business Secretary Alok Sharma and Minister for Regional Growth and Local Government, Simon Clarke announced a discretionary fund has been set up to accommodate certain small businesses previously outside the scope of the business grant funds scheme in response to Coronavirus. This new additional fund is aimed at small businesses with ongoing fixed property-related costs. Local authorities are asked to prioritise businesses in shared spaces, regular market traders, small charity properties that would meet the criteria for Small Business Rates Relief, and bed and breakfasts that pay council tax rather than business rates. But local authorities may choose to make payments to other businesses based on local economic need. The allocation of funding will be at the discretion of local authorities.</p> <p>Businesses must be small, under 50 employees, and they must also be able to demonstrate that they have seen a significant drop of income due to Coronavirus restriction measures.</p>

	<p>There will be three levels of grant payments. The maximum will be £25,000. There will also be grants of £10,000. Local authorities will have discretion to make payments of any amount under £10,000. It will be for councils to adapt this approach to local circumstances.</p> <p>Further guidance for local authorities will be set out shortly but pending this guidance it has been decided that Grants will be capped at a maximum of £25,000 per organisation in line with Central Government guidance. The standard award for qualifying businesses in Warrington has been set at £10,000.</p> <p><i>It should be noted that the monetary amounts quoted here represent the maximum amount proposed under the guidance and actual awards may vary based on qualifying criteria and circumstance.</i></p> <p>Subject to the delegations, grants will be subject to existing State aid measures as De Minimis aid under EC Regulation 1407/2013 as published in the Official Journal of the European Union on 24 December 2013 (“De Minimis Regulation”). This provides that aid can be granted to an economic operator as long as aid that they receive does not exceed €200k over a rolling three year period.</p> <p>Given the need to make the grants quickly, the Council did not, and will not, carry out an individual assessment as to whether each organisation is eligible for aid under the De Minimis Regulation. Each organisation will be advised of the background to the De Minimis Regulation, with each self-certifying that they have not received aid over the prescribed limit for the past three year period.</p> <p><i>Signatories applying for the grants are liable for any misrepresentation as follows:-</i></p> <ul style="list-style-type: none"> • <i>The Council may sue the signatory for damages under the Misrepresentation Act 1967.</i> • <i>If fraud, or fraudulent intent, can be proved, the signatory may be prosecuted and convicted of the offence of fraud by false representation under s.2 of the Fraud Act 2006, which can carry a sentence of up to 10 years or a fine (or both).</i> • <i>The signatory may be excluded from bidding for Council contracts for three years, under regulation 57(8)(h)(i) of the Public Contract Regulations 2015;</i>
Reason for Decision	To ensure the Council can distribute the additional funds in respect of the discretionary grants fund which has been set up by Central Government to accommodate certain small businesses previously outside the scope of the business grant funds scheme
Decision Maker/Responsible Officer	Lynton Green, Director of Corporate Services.

Directorate	Corporate Services
Lead Cabinet Member consulted (if applicable)	CLlr Cathy Mitchell – Deputy Leader and Cabinet Member, Corporate Resources
Decision Date	12 May 2020
Date Decision was published / notified (normally within 2 clear working days of decision being made)	12 May 2020
Summary of options considered	Not applicable
Interests declared	None
Background Papers (if applicable) <i>(period expires after 4 years from date of decision)</i>	Previous grant award and letter.
Confidential / exempt information	n/a
Category (if applicable)	

NB. This form expires after 6 years.