

COVID 19 Business Support Grants: Local Authority Discretionary Grant Fund

Applicant's guide

It is essential that you read this before you start completing the online form as you will not be able to suspend completion and return to the form once you have started

The government has introduced measures in support of small businesses due to the Covid 19 pandemic. Included within these measures is a discretionary fund to be administered by local authorities.

Local Authority Grant Fund

Brighton & Hove City Council has been allocated funding to distribute to businesses in need of financial support. In line with government guidance the Council has agreed eligibility for the fund based on local economic priorities including those contained within the Council's Corporate Plan and the Brighton & Hove Economic Strategy:

<https://new.brighton-hove.gov.uk/our-plan-2020-2023>

<https://www.brighton-hove.gov.uk/content/business-and-trade/support-businesses/brighton-hove-economic-strategy-2018-2023>

Eligibility check

This discretionary fund is open to applications from businesses who fall into one of the categories below.

- Events
- Arts, culture and the creative industries
- Retail
- Businesses in shared work spaces and those who manage shared work spaces
- Charities, Community Interest Companies and third sector organisations who undertake commercial operations
- Businesses with high fixed costs that do not pay business rates
- Locally based businesses in leisure including bed & breakfasts
- Locally based long established companies that have invested in their business
- Market traders with fixed locations in the city and with fixed costs
- Businesses employing 20 to 50 employees or with high turnover

There are three levels of funding available:

1) The sum of £25,000 will be allocated to qualifying businesses, that

- employ more than 20 employees*, or
- have a rateable value of over £51,000pa, or
- have significant fixed costs (e.g. rent, rate, mortgage, loans)

2) The sum of £10,000 will be allocated to qualifying businesses, that

- have a rateable value of less than £51,000, or
- do not pay business rates but have fixed costs, or
- pay business rates and have fixed costs

3) The sum of £2,500 will be allocated to qualifying businesses, who are

- sole traders, or
- market traders with fixed locations, or
- bed & breakfast guest houses

The council retains the discretion to make awards outside of these boundaries where it is deemed appropriate however the government has set the grant ceiling at £25,000 per business.

(* This relates to full-time equivalent roles incl. full time, part-time, seasonal staff, it does not include staff on flexible contracts e.g. zero hours)

Prior to completing the online form, you will be required to make the following declarations:

- That your business was in operation and trading on 11 March 2020
- That you have not received a Covid 19 business support grant for the property in question
- That your business falls within the eligible categories listed in the green box above
- That the reason you are applying for this fund is to enable your business to continue

You will also be asked to indicate which of the three levels of funding you are applying for; £25,000, £10,000 or £2,500.

You can only apply under one category so please check the description above to determine the most appropriate amount to apply for.

The following businesses are ineligible for this fund:

- Businesses that have already received a Covid 19 business support grant
- Businesses that have been declared insolvent
- Businesses that ceased trading before the 11 March 2020
- Businesses in financial difficulty before December 2019 *
- Businesses with over 50 employees
- Businesses with no fixed costs (e.g. rates, rent, mortgage)
- Short term residential and holiday Lets (e.g. Air BnB's)
- National/International chains

* In general, HMRC will regard any company as being 'in difficulty' when it meets the criteria for insolvency under the Insolvency Act 1986, such as:

- the company is unable to pay its debts as they fall due
- the value of the company's assets is less than the amount of its liabilities, taking into account its contingent and prospective liabilities (the "balance sheet test").

Your application will be assessed against the following criteria:

- **Local economic importance** – number of jobs saved, delivering essential services, businesses with a record of supporting city resilience during the Covid 19 crisis, community/social value, importance to a local area
- **Supporting the city's economic success** - through wage levels, generation of employment, levels of export (a marker of business resilience), able to demonstrate business innovation (creating new products or services)
- **Supporting key sectors/sub-sectors** - the role the business plays in local networks such as providing services or as a link in a chain that creates or delivers products or services, integral to the delivery of city strategies such as skills training delivery
- **Commitment to a carbon neutral city** - what actions has the business taken to reduce carbon emissions, (for example; reuse/recycling of materials, waste management, use of sustainable transport for staff/products)
- **Impact** - loss of the business leading to additional costs to the city, e.g. avoiding the need to recommission a service or procure the service from other suppliers
- **Levels of future investment** - evidence of investment during the last 12 months in upgrades to premises, new equipment, staff training and apprenticeships, new modes of operation such as investment in digitisation or other forms of diversification
- **Purpose** - able to explain what they are using the money for, evidence that they have coherent plans for the future of the business and evidence that the business has a viable future.

Prior to starting completion of the online form you are required to download and complete a 12 month cashflow forecast which you will need to submit with your application.

Please note: Once you have started completing the form, you are not able to stop and return to your application. It is therefore essential that you have all of the information you need to complete the form before you start.

Once you have completed the application form you will be issued with a unique reference number for your application which you will need to note for future reference.

Guidance for applicants on completing the online form

Section one - - Business Type/Category: (you can tick more than one)

1) Events	7) Business with high fixed costs not paying business rates
2) Arts, culture and the creative industries	8) A local leisure business, including bed and breakfasts
3) Retail	9) A local long established company that has been financially invested into
4) Business in shared work spaces	10) Market trader with fixed locations in the city and with fixed costs
5) Manager of shared work spaces	11) Business employing 20 to 50 employees or with high turnover
6) Charities, Community interest companies (CIC) and third sector organisations who undertake commercial operations	

- 1) Events include managers and organisers of events, suppliers of services and products linked to venues
- 2) Arts & Culture and the Creative industries covers a broad range of businesses, the definition being used by the council is based on the Standard Industrial Classification:
http://www.erdfconvergence.org.uk/userfiles/files/DCMS_Creative_Industry_SIC_codes.pdf
- 3) Retail is for businesses that fall outside of the main support grant fund, for example due to having a rateable value above £51,000
- 4) Businesses in shared work spaces include businesses where more than one business is in operation on a site and where the businesses are not the primary rate payers
- 5) Managers of shared work spaces refers to the organisations responsible for the day to day running and operation of a shared work space
- 6) Commercial operations mean any trading arms of voluntary or third sector organisations
- 7) Fixed costs relate to costs such as rent, rates, mortgage or long-term loan repayments
- 8) Locally based means businesses located within the city of Brighton & Hove and where the majority of the business activities are within the city
- 9) Long established means operating in the city for more than 10 years
- 10) Market trader with fixed locations mean a regular day or days at specified locations in the city. It does not include ad hoc or irregular patterns of operations
- 11) Businesses with that generate a significant gross income per annum

Section two - Company/business profile

If you employ staff how many people do you employ? This is your full-time equivalent figure

Enter the number of staff that you employ, (you can include seasonal workers). Please enter the fulltime equivalents (FTE). To reach your full-time equivalent number, translate the number of hours worked by your part-time employees to what they would look like on a full-time basis. After that, your full-time employees are folded into the final FTE count. For example

2 x part-time staff on 16hrs per week = 32hrs which equates to 1 x full-time post.

2 x full-time staff on 32hrs = 2 full-time posts

Your Full-Time Equivalent (FTE) number = 3 staff

If you employ staff please provide information on the number_of staff_that you employ by working patterns:

- Full time (30+ hours)
- Part time
- Seasonal
- Flexible contracts (e.g. Zero hours)
- Apprentices

If you are self-employed/freelance/sole trader, please tick the 'sole trader' box provided

Section three - Business type

Tick the relevant category for the business that you are seeking funding for

- Limited company
- Community Interest Company
- Charity (with commercial operation)
- Not-for-profit
- Co-operative/ Social Enterprise
- Market trader
- Sole trader

Section four - Products or services

List the main activities of your businesses

- (Five bullets word limit 50) **Example**
- Retailer selling ethically sourced toys
 - Music and play workshops for kids
 - Selling at local craft and maker fairs

What proportion of your trade is online?

If you have an online presence through which you trade, enter a figure for the percentage of your business that this represents.

Section five - Financial information

What is your rateable value?

If you are a rate payer, please enter the rateable value listed on your most recent rates bill.

If you do not pay business rates tick where indicated

Businesses that do not pay business rates are eligible for this fund. If you do not pay rates tick the box.

If you pay Council Tax rather than business rates how much do you pay?

Some businesses, for example, Bed & Breakfast guest houses pay Council Tax rather than business rates. If you pay Council Tax rather than business rates please enter the annual amount that you pay.

What was your turnover in 2018/2019?

Enter the value of the total products or services sold during the period 1 April 2018 to 31 March 2019.

What was your average turnover for the last three years?

Enter an average value for the total product and services sold over the last three years. If you have been on operation for less than three-years enter a figure for each full year of operation.

What are your fixed costs and how much are they per annum?

List the figures relating to your main non-variable business costs such as rent, rate, utilities or mortgage. Use bullet points to list the items and amount for any other fixed costs not listed

List any other COVID-19 government support that your business has received

Please list any other forms of support from government related to the COVID-19 pandemic, for example for furloughed staff, zero per cent interest loans. Word limit is 60 words.

Supporting evidence

You will be asked to upload Bank statements that are less than 3 months old showing your account name, sort code and account number. If you are a sole trader without a trade account, please provide your personal bank statements

You will be asked to upload your completed cashflow forecast template

Audited accounts – You will be asked to supply accounts for the last three years that have been checked and verified by a qualified Accountant. If you have been operating for less than three-years, supply audited accounts for each full year of operation.

OR

Management Accounts – If you do not have audited accounts supply relevant papers to show the financial health of your business for the last three-years, or for each full year of operation if less than three years, e.g. a balance sheet, cashflow and income statement.

Section six - What have been the main tangible impacts of the pandemic on your business?

Impact of the pandemic – You will be asked to tick the areas in which your business has been affected (can be more than one).

If you have furloughed employees, you will need to state how many
If you have had to lay off employees, you will need to state how many

Temporary business closure	[]
Partial Closure	[]
Loss of current orders/bookings	[]
Loss of future orders/bookings	[]
No or limited access to essential supplies/materials	[]
Furloughed staff	[] if so, how many []
Laid off staff	[] if so, how many []
Unmanageable debt	[] if yes, state the amount and the debtor

Unmanageable debt – Please provide details of any debt that you are currently unable to service. State the amount(s) and name the debtor(s). Word limit is 100 words.

How would you use the grant to help alleviate these challenges?

Please use the free text box to explain how this grant will be used within your business and what it will enable you to do. There is a 150-word limit in the text box

Assessment criteria

In this section you will be asked questions designed to ascertain how your business contributes economic and/or social benefits to Brighton & Hove. Please answer only those questions that are relevant to your business.

Please take time to consider your responses and the evidence that you can provide to support your statements if required to do so.

Section seven: Local economic importance	
a) How many jobs will be saved as a result of getting the fund?	Enter a number value
b) What essential services do you provide (Bullet points preferred)	Word limit 50: bullet points preferred- Explain how your business supports the city or your local area, explain what it contributes directly in terms of products or services e.g. education and training, providing Personal Protective Equipment (PPE)
c) How has your business contributed to supporting the city during the Covid 19 crisis? (Bullet points preferred)	Word limit 50: bullet points preferred Describe the actions or activities your business has engaged in to support the city or

	your local community during the Covid 19 crisis
d) How does your business help to keep money local? (Bullet points preferred)	Word limit 50: Bullet points preferred Explain how you use, link with or support activity that helps to keep money in the city for example through sourcing your raw materials locally
Section eight: Supporting the city's economic success	
a) What proportion of your workforce is paid the Brighton Living Wage of £9.30ph?	Enter a percentage Set independently and updated annually the Brighton Living Wage is calculated according to the basic cost of living in the UK and is the amount that allows a person to live, rather than just survive. More information about the Brighton Living Wage can be found here: https://www.livingwagebrighton.co.uk/
b) What proportion of your trade is in export?	Enter a percentage Export can help build business resilience by opening up new markets. Export includes products and/or services. If you are an exporting business, please give an estimate of how much of your business it represents
c) Do you expect your business to grow in terms of turnover or staff in the next 12 months?	Delete as appropriate Yes/No You may choose to answer yes if for example, you are planning on diversifying your business model or seeking new markets and you think this will lead to increased sales within the next 12 months
Section nine: Supporting key sectors/ sub-sectors	
a) What proportion of your business relies on access to local suppliers?	Enter a percentage Please give an estimate of how much your business relies on local suppliers (based in Brighton & Hove)
Section ten: Commitment to a carbon neutral city	
a) What actions have you taken within your business to reduce carbon emissions and waste?	Tick those that you have done and can provide evidence for if requested to do so Brighton & Hove was one of the first councils in the country to declare a climate emergency and has pledged to become a carbon neutral city by 2030. To this end it is working with government, the community and local business on actions that will reduce carbon emissions to net zero by 2030. Please indicate which of the actions listed you are already engaged in.

Section eleven: Impact	
a) What other business(es) rely on you for their organisational survival? (Bullet points preferred)	Word limit 50: Bullet points preferred- Please state which businesses would be affected if your business were to close
b) What, if any, citywide services do you provide (Bullet points preferred)	Word limit 50: Bullet points preferred Please list any services that you provide that have citywide benefits e.g. collection and recycling, cycle servicing
c) How does your business support or give back to the local community? (Bullets only)	Word limit 50: List - Please list any community benefits that you offer, for example supporting food banks, apprenticeships, paid internships, equipment supplies to local community groups
Section twelve: Levels of future investment and future plans	
This section must be completed if you are applying for the £25,000 grant	
a) How many new products or services have you adopted in the last 18 months?	Provide details Word limit 50. To demonstrate how you have been investing in your business state how many products or services have been adopted within the company such as any new patents, product/service diversification, new markets. In retail selling a new product does not count
b) How much money have you invested in new products of services as a percentage of your turnover in the last 18 months?	Enter the amount in £ and percentage If you have introduced new products/services state how much money you invested in this new activity (excluding investment in premises or buildings)
c) Have you sought to diversify your business as a result of the Covid 19 crisis? If yes, please explain how (Bullets only)	Word limit 70: If the Covid 19 crisis has caused you to reshape your business model please explain the changes that have been made
d) What are your plans for the future of your business? (Bullets only)	Word limit 70: Explain what, if any, additional changes you are planning incl. scaling down, staying the same, increasing your business activity, merging with another business or businesses, starting or increasing online trade

Sections thirteen and fourteen

This information is required to speed up the process of payment if your application is successful.

Information about you

This information is not scored and will not be used in assessing applications. The information will be anonymised and used to help inform council services.

This guide is designed to help you complete the application form accurately. You are therefore advised to keep this guide to hand as you are completing the form and ensure that you have all of the information that you will need **before you start** as you will not be able to stop and go back to the form once you have started.