

24 June 2020

Phase two of discretionary fund open for small eligible businesses

Cheshire East Council has launched the second phase of the local discretionary grant scheme, which will open for applications at 8am on Friday 26 June.

The council has already implemented a first phase of this grant scheme which closed on 15 June. We received over 450 applications from small business which are currently being assessed.

Having received feedback on this scheme a second phase will be open for a period of two weeks to allow businesses to apply for funding. This phase will close at 8am on the 10 July 2020.

This phase seeks to support a wider cohort of businesses, including some of those that were not eligible in the first phase and the government's small business grant and retail, hospitality and leisure grant schemes. This phase will be open to:

- Local independent retail, hospitality and leisure businesses occupying premises with a rateable value in excess of £20,000;
- Bed & breakfasts which pay council tax instead of business rates;
- Charity properties in receipt of charitable rate relief which would otherwise have been eligible for small business rate relief or rural rate relief;
- Small businesses in shared offices or other flexible workspaces that do not pay business rates with annual rental costs of between £3,000 and £51,000;
- Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment;
- Any other business that has a rateable value of up to £20,000.

Grants of between £2,500 and £25,000 may be awarded. In line with government guidance, it is anticipated many grants will be below £10,000 to ensure the fund can benefit a larger number of businesses.

This revised policy, which was agreed on 22 June, has strict eligibility criteria including mandatory requirements set by government, which businesses will need to review before they apply. Some of the criteria are that businesses:

- Have fewer than 50 employees and meet the requirements of being a small business as defined in *Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015*, and the *Companies Act 2006*;
- Can clearly evidence a drop-in income due to Covid-19 of in excess of £750 for the quarter March 1-31 May 2020;
- Are able to clearly evidence and identify ongoing fixed business property-related costs, for business premises in Cheshire East, in excess of £750 for the period 1 March - 31 May 2020.

Councillor Nick Mannion, Cheshire East Council's cabinet member for environment and regeneration, said: "The grant will offer a lifeline to smaller businesses which have high ongoing property costs, struggling as a result of the Covid-19 pandemic. Local enterprise is an integral component within local regeneration schemes across the borough.

"It is important to kickstart these businesses in order to escalate revenue and rebuild consumer confidence. Cheshire East is an attractive area for businesses – particularly because of the scheduled infrastructure projects and we want to maintain that philosophy in the aftermath of Covid-19 and continue to flourish."

However, this funding is limited which means that - as much as the council would wish to - it may not be able to provide a grant to every eligible business and charity that applies.

Councillor Mick Warren, Cheshire East Council's cabinet member for communities, said: "This is a welcomed addition to support and bring the local communities together. Small business particularly, are the backbone of the community and rely on local commerce. They will also play a small part to lead safe social interaction within retail and hospitality sectors, in line with government guidance."

More information, including a full list of criteria and evidence required before an application can be submitted, can be found by visiting:
www.cheshireeast.gov.uk/covidDGS.

The local authority discretionary grant fund phase two will be available on the link above at 8am on Friday 26 June for a period of two weeks until 8am 10 July.

All applications submitted within this phase with adequate supporting information will be considered in order of receipt, and grants awarded subject to funds remaining.

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Georgie Noden
Senior Communications Officer
Cheshire East Council
Email: georgina.noden@cheshireeast.gov.uk

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Notes to editors:

Businesses that are eligible for this scheme will be assessed against the agreed policy, which can be viewed on the website. If sufficient grant funds remain after the second phase of applications, the council may offer future phases to additional priority businesses against varying criteria.

Expenditure on the scheme is capped at the sum made available by the government grant allocation. This is an initial envelope and may increase with subsequent data returns from the small business, retail hospitality and leisure grant funds.

With limited funds available it is not possible for the council to help every business or sector.