

East Suffolk Council

Business Recovery Grant – DBT

1. Introduction

- 1.1. Following a severe weather event which causes significant wide area impacts, local authorities may need central support to help their communities and businesses return to normal. Building on these principles, a core package of support has been triggered in relation to Storm Babet by Government to serve as a framework for flood recovery funding across the district.
- 1.2. Affected Local Authorities will have until 25 January 2024 to investigate, verify and report flood impacts to Government via the Department for Levelling Up, Housing and Communities (DLUHC) DELTA reporting system. After this date flood impact data will be “locked”, and no additions to the flood impact data will be accepted.
- 1.3. Claims for eligible costs will be paid to cover the periods 19 October 2023 to 20 January 2024. Costs incurred after 25 January 2024 will not be refunded via this scheme.
- 1.4. This policy has been developed to respond to the need to administer the Business Recovery Grant scheme to support business recovery from this specific flooding event.

2. Eligibility

- 2.1. The Business Recovery Grant (BRG) is activated following severe weather to support SMEs in the immediate aftermath of flooding from Storm Babet to help them return quickly to business as usual. It provides a one-off grant payment of £2,500 to eligible businesses.
- 2.2. Payment is linked to an individual property occupied by that business where that property has been adversely impacted by Storm Babet. It is possible that a business could receive more than one grant payment if it is linked to multiple separate properties that satisfy the eligibility requirements as set out below.
- 2.3. Local Authorities are required to set up and deliver an application process within their local area – that process must check a business applying for support against the following key eligibility criteria. It will be for the Council and its Lead Flood Authority (in our case Suffolk County Council) to determine eligibility under the scheme.
- 2.4. A business must satisfy **all** the following conditions to be eligible to receive grant support:

- (i) The business must be a Small and Medium Sized Enterprise (SME) at the point of grant award – the criteria that must be satisfied for a business to be a SME are defined by the UK Government in the SME Action Plan as follows:
 - a. have fewer than 250 employees; and
 - b. have a turnover of less than €50m or a balance sheet total less than €43m.
- (ii) The business must have been trading at and/or from the property at the point that the property was impacted by Storm Babet. For the purposes of this grant scheme, a business is trading if it is engaged in business activity. This should be interpreted as carrying on a trade or profession or buying and selling goods or services to generate turnover.
- (iii) Fully constituted businesses in liquidation, dissolved, struck off or subject to a proposed striking off / striking-off notice are not eligible under these conditions.
- (iv)
 - a. Empty properties are not eligible for this scheme.
 - b. It does not cover warehouses or storage sheds unless the SME business actively trades from the warehouse or shed
- (v) The business must have been either:
 - a. **Directly** impacted by Storm Babet – for instance the business suffered flood damage to the property, or
 - b. **Indirectly** impacted by Storm Babet – for instance access to the business premises is completely restricted as a result of flooding, including no access for customers, suppliers or staff
- (vi) The business must be able to receive the BRG payment in line with UK Subsidy Control rules
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1176040/subsidy-control-statutory-guidance.pdf

3. **Mandatory declarations/checks required as part of application:**

- 3.1. Appropriate checks must be completed separately by East Suffolk Council to ensure that the business meets the eligibility requirements prior to the award of grant.
- 3.2. Pre-payment checks to be completed using Spotlight or similar tool.
- 3.3. East Suffolk Council will obtain a self-declaration within the online application form from the business confirming that it satisfies the definition of an SME.
- 3.4. East Suffolk Council will determine if a business is trading and must retain appropriate evidence to support a decision that the business was trading from the property impacted by Storm Babet.
- 3.5. East Suffolk Council will obtain a self-declaration from the business as part of the application process that confirms the business (i) was impacted

by Storm Babet, (ii) how it was impacted, and (iii) that the business has suffered a loss of trade as a result. There is no requirement for the grant recipient to evidence a minimum loss of trade or income but the business should have suffered a detriment as a result of Storm Babet. (East Suffolk Council will rely on local knowledge to assess whether a business has been negatively impacted by Storm Babet but must keep a record of the basis for its decision that the business was negatively impacted).

3.6. East Suffolk Council will obtain a self-declaration from the business as part of the application process confirming it is content that it can receive the £2,500 BGF payment within its available subsidy control thresholds – a link to the Subsidy Control Statutory Guidance must be provided to the business as part of the application process. East Suffolk Council is not required to complete separate checks on this self-declaration unless it is aware of any previous public subsidy the business has received which could impact on its ability to accept the BRG payment.

3. Funding

- 3.1. Central Government will make payments to the Council via a Section 31 grant.
- 3.2. All grant payments must have been paid to SME grant recipients on or prior to 25 January 2024.

4. Application Process

- 4.1. Businesses are required to report the flooding to the lead flood authority (Suffolk County Council) who will carry out initial eligibility checks. This will be followed up by site checks undertaken by Anglia Revenues Partnership who will check against the scheme criteria.
- 4.2. Businesses will be asked to confirm in writing that they meet the criteria for a £2,500 Recovery Payment by completing an online application form.
- 4.3. The business will need to:
 - Confirm that the property is within an area affected by flooding, and
 - Confirm that they have met the qualifying criteria

5. Scheme Administration

- 5.1. The Government will determine when a severe weather event has taken place and in turn when the Flood Recovery Framework applies.
- 5.2. Applications for the Business Recovery Grant will be considered by the District Council following notification from the Lead Flood Authority, in this case Suffolk County Council.

- 5.3. Applications will be assessed against eligibility requirements and decisions made by a grant panel.
- 5.4. Applicants will be advised of the outcome of their application and, if successful, will be asked to sign and return a grant acceptance statement.
- 5.5. Any appeal against the decision to award or not award a payment, must be made in writing within 28 days of notification of the decision and in all cases no later than the 12 January 2024.
- 5.6. Appeals will be considered by a member of the of the Senior Management Team, who will notify the applicant of the final decision in writing within 28 days as to whether an appeal is refused or accepted, with a full explanation of the reasons for the decision.

6. Payment of Grant

- 6.1. The payment of the grant will be made directly into the businesses bank account via BACS.
- 6.2. If the Council becomes aware of an irregular payment, such as duplicate payments or that the basis of information received to pay the grant was inaccurate or incorrect or that relevant information was not declared (either intentionally or otherwise) the Council will recover the value of any award.

7. Subsidy

- 7.1. The awarding of relief complies with the UK subsidy control regime.

8. Fraud and Irregular Payment Recovery

- 8.1. Neither the Council, nor the Government will accept deliberate manipulation of the scheme of fraud. Any application caught falsifying information to gain relief will face prosecution and any funding will be recovered from them.
- 8.2. Recovery will be undertaken on all irregular payments. Recovery will initially be undertaken by East Suffolk Council, and if unsuccessful will not be written off but referred to the Department for Business and Trade for further recovery.

9. Data Protection and use of Data

- 9.1. All information and data provided by application shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available to view on the Council's website.
- 9.2. Details of how personal data may be used to administer the scheme will be provided to applicants before their application.

10. Complaints

- 10.1. The Council's 'Compliments, Comments and Complaints' policy (available on the Council's website) will be applied in the event of any complaint received about this policy.

11. Equalities Statement

- 11.1. This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified as a result of this policy.