

## RECORD OF DECISION MADE UNDER DELEGATED AUTHORITY

### **PART 1 – PUBLIC DOCUMENT**

Any interest to declare/ or conflict and any dispensation granted [*if applicable*]

### **SERVICE DIRECTORATE: CUSTOMERS**

#### **1. DECISION TAKEN**

- 1.1 That the scheme at Appendix 1 is approved as the Council's Restart Grants Schemes.
- 1.3 That any amendments necessary to the schemes be delegated to the Service Director – Customers in consultation with the Executive Member for Finance & IT

#### **2. DECISION TAKER**

- 2.1 Anthony Roche, Managing Director

#### **3. DATE DECISION TAKEN:**

- 3.1 25 March 2021

#### **4. REASON FOR DECISION**

- 4.1 To ensure that the financial support provided by the Government reaches those businesses that qualify as quickly as possible.

#### **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 To follow normal procedures, which would require a decision by Cabinet, which would clearly not be possible if the Council wishes to distribute this support quickly. The Restart Grant is a Mandatory Grant and effective from 01 April 2021. It is essential that we can start making payments to qualifying businesses as soon as possible.

#### **6. CONSULTATION (INCLUDING THE EFFECT ON STAKEHOLDERS, PARTNERS AND THE PUBLIC)**

- 6.1 The Executive Member for Finance & IT has been consulted and is in support of this scheme. Whilst the introduction of the scheme is unlikely to be defined as an executive function (see legal implications at 9.1) the Chair of Overview and Scrutiny has been consulted due to the urgency of the decision being taken.

#### **7. FORWARD PLAN**

- 7.1 This decision is not a key Executive decision and has therefore not been referred to in the Forward Plan.

#### **8. BACKGROUND/ RELEVANT CONSIDERATIONS**

- 8.1 In the Budget Speech on 3 March 2021, the Chancellor of the Exchequer announced further funding to support businesses to safely re-open in line with the 'Roadmap out of lockdown' previously set out by the Prime Minister. The chancellor announced a new £5 billion Restart Grant scheme to help the high street with one off grants of up to £18,000.
- 8.2 As a result of the national restrictions all non-essential retail, leisure, personal care, sports facilities and hospitality businesses have been forced to close, since the start of January. The Roadmap out of Lockdown will allow these businesses to start to re-open from 12 April, providing the four key public health tests are met to continue the easing of restrictions, as per the roadmap.
- 8.3 The Restart grants have two strands; strand one is non-essential retail and strand two is hospitality, accommodation, leisure, personal care and gym businesses. The level of funding will depend on the strand and the rateable value of the hereditament occupied by the business.
- 8.4 Whilst the awarding of grants will be the Councils responsibility, the Department for Business, Energy & Industrial Strategy has indicated the types of businesses that should be awarded the grant as well as specific criteria which must be met for a business to be eligible for the grant.
- 8.5 All of the following eligibility criteria **must** be met:
- Businesses which were trading on 1 April 2021 and fall into either;
  - **strand one** - non-essential retail; or
  - **strand two** – hospitality, accommodation, leisure, personal care and gym businesses.
  - Businesses liable for business rates and occupying a hereditament shown in the local rating list on 1 April 2021.
- 8.6 For the purpose of this scheme the definitions of non-essential retail under strand one and the list of exclusions to the definitions can be found in the policy document at 2.3 to 2.5.
- 8.7 For the purpose of this scheme the definitions of hospitality, accommodation, leisure personal care and gym businesses under strand two and the list of exclusions to the definitions can be found in the policy document at 2.6 to 2.19.
- 8.8 The grant amount payable will depend on the rateable value of the hereditament at the time of forced closure, there are three levels of payments for each strand, as follows;
- Level of award under strand one – non-essential retail**
- Rateable value of £15,000 and below will receive £2,667
  - Rateable value of above £15,000 and less than £51,000 will receive £4,000
  - Rateable value of £51,000 and above will receive £6,000
- Level of award under strand two – hospitality, accommodation, leisure, personal care and gym businesses**
- Rateable value of £15,000 and below will receive £8,000
  - Rateable value of above £15,000 and less than £51,000 will receive £12,000
  - Rateable value of £51,000 and above will receive £18,000
- 8.9 General exclusions apply to this scheme and the following businesses will not be eligible for an award:

- (a) Businesses that are not within the rating system
  - (b) Businesses that have already received the grant payments that equal the maximum permitted subsidy allowances and
  - (c) Businesses that are in administration, insolvent or where a striking off notice has been made.
- 8.10 Applicants will be able to apply via an online application form on our website. The closing date for applications is 30 June 2021 and final grant payments must be made by 31 July 2021.
- 8.11 Funding will be provided by Government to meet the costs of the payments and will be based on an assessment of the number of eligible businesses currently within the business rate system. Funding will be paid to the Council under S31 of the Local Government Act 2003. 90% of the funding assessment will initially be provided to Councils and through weekly Delta returns the level of funding will be monitored and topped up as required.
- 8.12 As with previous grant schemes, this scheme will be regularly publicised as widely as possible by the Communications Team and through the Business Improvement Districts and Town Centre Managers to encourage businesses to apply and access the financial support available to them.

## **9. LEGAL IMPLICATIONS**

- 9.1 The Restart Grant will be implemented by the Council in response to the Government announcement of one-off grant funding to support non-essential retail, hospitality, accommodation, leisure, personal care and gym businesses. This grant funding is to provide financial assistance to businesses that have previously been mandated to close due to national restrictions put in place to manage Coronavirus and save lives. National restrictions are legally binding restrictions imposed under powers that originate under Part 2A of the Public Health (Control of Disease) Act 1984, national under the Health Protection (Coronavirus, Restrictions) (England) (No. 4) Regulations 2020/1200. The Public Health powers are non-executive and delegated to the Service Director: Regulatory as per 14.6.10(a)(iv).
- 9.2 Section 14.6.5 of the Council's Constitution details the delegation of authority to the Managing Director. 14.6.5 (a) lists the functions delegated to the Managing Director and at 14.6.5 (a) (iv) it states: *In cases of emergency or urgency (where possible in consultation with the Leader of the Council) to carry out any Council or Executive function, power or duty.*
- 9.3 This decision is considered urgent to ensure that the Council can start receiving applications and awarding financial support to eligible businesses as quickly as possible to enable them to start to re-open safely in line with the Governments roadmap out of lockdown.
- 9.4 When making grant payments, the Council must be satisfied that all State Aid requirements have been fully met and complied with, including, where required, compliance with all relevant conditions of the EU State Aid De-Minimis Regulation, the EU Commission Temporary Framework for State Aid measures to support the economy in the current COVID-19 outbreak and the approved Covid-19 Temporary Framework for UK Authorities.
- 9.5 With effect from 1<sup>st</sup> January 2021 the EU State Aid regime no longer strictly applies in the UK and the new UK based regime and enforcement body has yet to be created, although guidance has been issued following the "Trade and Co-operation

Agreement” signed as part of Brexit arrangements which state that subsidies are permissible if they can be shown to be;  
-proportionate;  
-pursuing a public policy objective such as addressing social difficulties or distributional concerns.

This guidance places less specific restrictions on the Council regarding State Aid, therefore, if the Council deems providing the grant support as detailed in this report as appropriate and it is satisfied that issuing such grants is pursuing the public policy objective of addressing social difficulties and is a proportionate measure being used to achieve this aim then it will be in compliance with the guidance.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 There are no direct financial implications to the Council. Costs associated with administering the scheme will be covered by the allocation of new burdens funding.
- 10.2 Whilst 90% of the funding will be provided to Councils initially, the level of grants paid will be monitored through weekly Delta returns and if required the funding will be topped up.

## **11. RISK IMPLICATIONS**

- 11.1 Whilst there is no specific date set to make this live, it is essential that the Council can provide the available financial support to local businesses as quickly as possible. Seeking a formal Cabinet decision in this regard will build in unnecessary delay and businesses will continue to suffer financially.
- 11.2 There could be significant reputational risk to the Council if it is seen to be slow in implementing this assistance to businesses who need the support to be able to re-open safely.

## **12. EQUALITIES IMPLICATIONS**

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 The Council is implementing Government policy designed to provide financial support to businesses that must close during the period of restrictions due to the COVID-19 pandemic.

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 *The Social Value Act and “go local” policy do not apply to this decision.*

## **14. ENVIRONMENTAL IMPLICATIONS**

- 14.1. There are no known Environmental impacts or requirements that apply to this report.

## **15. HUMAN RESOURCE IMPLICATIONS**

- 15.1 There are no Human Resources implications in this report.

## **16. BACKGROUND PAPERS**

- 16.1 Department for Business, Energy & Industrial Strategy – Restart Grant – Guidance for Local Authorities, April 2021.

**17. APPENDICES**

17.1 Appendix 1 – Restart Grants Scheme April 2021.

**NOTIFICATION DATE: 26 March 2021.**

**Signature of Executive Member Consulted**  (Ian Albert)

**(Ian Albert, Executive Member for Finance & IT)**

**Date: 25.03.21**



**Signature of Decision Taker**

**Anthony Roche, Managing Director**

**Call-in does not apply to NON-EXECUTIVE DECISIONS**