

## 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 To appoint Exemplas Ltd to provide targeted business advice and to distribute grant funding to SME businesses in North Hertfordshire on behalf of NHDC.
- 1.2 To delegate the administration of a new premises grant to East Herts Council through a Service Level Agreement.

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

- 2.1 Jo Dufficy, Service Director – Customers

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

- 3.1 26 January 2022

#### **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 and that funding is used to provide the most effective support for businesses impacted by the Covid19 pandemic.

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

- 5.1 The Council has been allocated £1.2m of ARG top up funding which must be distributed to businesses and/or business support activities by 31 March 2022. Due to the urgent need to distribute the funding officers do not consider there is a suitable alternative.
- 5.2 The Council is also dispersing the ARG funding through direct business grants and the intention is to ensure that as much funding as possible is allocated to businesses by 31 March 2022, therefore it may be necessary to increase or decrease the level of funding that Exemplas and / or East Herts distribute on our behalf to ensure that all funds are spent. If funding is increased then the corresponding administrative costs may also increase.

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

- 6.1 The Executive Member and Deputy Executive Member for Finance & IT have been consulted and are supportive of this approach.
- 6.2 The Chair of Overview and Scrutiny has been consulted on these proposals due to the urgency of the decision being taken

6.3 These schemes have been considered and supported at meetings of the North Herts Council Recovery Board.

## **7. FORWARD PLAN**

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

## **8. BACKGROUND/ RELEVANT CONSIDERATION**

8.1 The Secretary of State for Business, Energy & Industrial Strategy (BEIS) announced on 09<sup>th</sup> September 2020 (and subsequently amended in October 2020 and November 2020) that grants would be made available to businesses that had been forced to close due to localised or widespread national restrictions introduced to manage coronavirus and save lives.

8.2 A number of grant and business support schemes were introduced, one of which was the Additional Restrictions Grant (ARG) which was introduced on 31 October 2020 and is a discretionary scheme used for direct business grants and / or wider business support. To date, the government has provided a total of three (3) top ups (announced on 5 January 2021, 3 March 2021 and 21 December 2021 respectively) to this ARG scheme. The third top up of ARG funding which was allocated to NHDC was in the sum of £1.2m, and a decision has been made to split the funding between direct grants to be administered by NHDC and wider business support which would be administered by third parties with specialist skills to deliver a tailored and specific service.

8.3 Two schemes have been chosen for wider business support, both are already in existence and being delivered successfully on behalf of or by other local Authorities.

8.4 The first scheme is to allocate up to £450,000 (initially £300,000 potentially increasing to £450,000) in grants through a bespoke programme of business support to be delivered by the Hertfordshire Growth Hub, a consortium of business support services providers, led by Exemplas together with the University of Hertfordshire and the Hertfordshire Chamber of Commerce. The consortium is uniquely qualified and experienced in providing professional advice and support to North Herts businesses of this size. For example, in the last 12 months, Hertfordshire Growth Hub has supported 441 micro and SME businesses (between 1 and 250 employees) in North Herts.

8.5 Exemplas have been providing this service for Watford Borough Council and have both the capacity and expertise to deliver this programme on our behalf. The cost to provide this service is £89,000, bringing the total of this scheme to a maximum of £539,000.

8.6 The second scheme is a new premise grant to provide funding of up to £5,000 per business to help businesses cover the costs of moving into commercial premises in the District, this scheme will be administered by East Herts Council on our behalf and will cost £100,000 plus the administration cost of £200 per applicant. Under this scheme, grants may also be given retrospectively to companies who have moved into premises in North Herts since 01 July 2021.

8.7 NHDC commissioned Team Telemarketing to carry out a telephone survey of local businesses to gain a better insight into how they have been impacted by the pandemic and what support would be beneficial to them. The results so far have indicated that these schemes would provide some much-needed support.

8.8 Funding for these schemes and all costs associated is provided by Government and must be spent by 31 March 2022, the expectation is clear that this funding should be distributed as quickly as possible and fully distributed.

## **9. LEGAL IMPLICATIONS**

9.1 Under the terms of reference 14.6.4(a)(ii) of the Constitution, the Service Directors are delegated the following functions, powers and duties for their respective service areas to, amongst other things: entering into contract to carry out works and / or for the supply of goods and services within approved budget.

9.2 Under terms of reference 14.6.7 (a)(i) of the Constitution, the Service Director Customers has delegated authority to manage, direct and control all resources allocated to the Directorate in line with the Councils policies and procedures.

9.3 Contracts must be let in accordance with the Contract Procurement Rules and paragraph 7.13 of the rules requires the publication of a Decision Notice for any contract with a value of above £50,000.

## **10. FINANCIAL IMPLICATIONS**

10.1 There are no direct financial implications to the Council. Costs associated with funding and administering both schemes are fully funded through the allocation of £1.2m of Additional Restrictions Grant funding.

10.2 Any underspend of the ARG funding after 31 March 2022 must be returned to BEIS, however the expectation is clearly that all funds are allocated and as quickly as possible.

## **11. RISK IMPLICATIONS**

11.1 Failure to appoint Exemplas and EHDC to administer the schemes described will result in a delay in the distribution of funding and support to the businesses that require it, given the need to spend all funding by 31 March 2022 it is possible that failure to appoint Exemplas and EHDC will result in a proportion of the ARG not being distributed at all.

## **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.

## **13. SOCIAL VALUE IMPLICATIONS**

13.1 The appointment of Exemplas and EHDC means that both schemes will be administered by local parties (albeit outside of District) who already have a good understanding of local business and economic need and are already running the same schemes for other Councils, leading to an efficient and effective distribution of support and funding.

## **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**

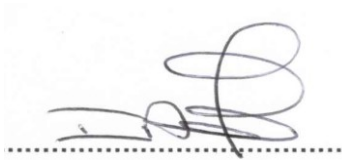
16.1 None.

**17. APPENDICES**

17.1

**NOTIFICATION DATE: 28 January 2022.**

**Signature of Executive Member Consulted**

A handwritten signature in black ink, appearing to be 'Ian Albert', written over a horizontal dotted line.

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

**Date: 27 January 2022**

**Signature of Decision Taker**

A handwritten signature in black ink, appearing to be 'Jo Dufficy', written in a cursive style.

**Jo Dufficy, Service Director, Customers**

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