

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 Additional Restrictions Grants Scheme (ARG)
- 1.2 That any technical amendment as well as determining the level of awards under this scheme are 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 27 November 2020

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 or Full Council, would clearly not be possible if the Council wishes to distribute this support quickly. The national lockdown came into force on 05th November 2020 and it is essential that we can start making payments to qualifying businesses as soon as possible. The first allocation funding was received from Government on 13th November and the Local Restrictions Support Grant (LRSG) went live on 18 November. This scheme is the Discretionary scheme that sits alongside the LRSG.

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

- 6.1 The Executive and Deputy Executive Members for Finance & IT have been consulted and are in support of these proposals, additionally the Executive and Deputy Executive Members for Enterprise and Co-operative Development have been consulted and are in support of these proposals.
- 6.2 Whilst the introduction of the scheme is unlikely to be defined as an executive function (see legal implications at 9.2) the Chair of Overview and Scrutiny has been consulted on these proposals 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 The Secretary of State for Business, Energy & Industrial Strategy (BEIS) announced on 09th September (and subsequently amended in October 2020 and November 2020) that grants would be made available to businesses that have been forced to close due to localised or widespread national restrictions being put in place to manage coronavirus and save lives. The scheme applies where local restrictions are put in place or where there is a national lockdown.
- 8.2 The Government introduced national lockdown restrictions on 05th November 2020. As a result, all non-essential retail, leisure, personal care, sports facilities and hospitality businesses have been forced to close until the national restrictions end on 02nd December 2020.
- 8.3 Whilst the scheme will initially be in response to the national lockdown it will also be in force should we enter a Tier 3 local restriction at any point after the national lockdown ends.
- 8.4 There are two schemes being implemented to support businesses during the period(s) of local or national restrictions, firstly the Local Restrictions Support Grant (LRSG) (closed) and Addendum and the Additional Restrictions Grant (ARG) This report is concerning the **ARG** only.
- 8.5 The Government is allocating funding for this scheme, calculated at a rate of £20 per capita of the Districts population, which equates to £2.67m. The funding will primarily be used for discretionary grants; however, it can also be used for wider business support activities.
- 8.6 The funding allocation is to cover this period of national lockdown as well as any further period of national or Tier 3 restrictions during the remainder of 20/21 as well as 21/22. No further funding in respect of this scheme will be provided during this or the next financial year. The Council must take this into consideration when determining applications and the level of award as well as considering any additional support activities.
- 8.7 The same conditions of grant must apply as for the LRSG, however the amount of funding offered to businesses and frequency of payment will be at the Councils discretion. Additionally, Government has stated that the Council may also consider making payments to businesses which have not been forced to close but have been severely impacted by the restrictions in place, as well as businesses outside of the rating system and effectively forced to close.
- 8.8 The Council wants to support as many businesses within the district as is practicable and will invite applications from rate payers that fall outside of the LRSG and non-rate payers that can demonstrate they have had a significant loss of income during the qualifying period. Larger national chains are excluded from this scheme as they will be in receipt of other financial support or state aid, however, Franchises will be considered.
- 8.9 To maintain consistency with the LRSG and a fair approach in ensuring the Council can support as many businesses as possible, a time limited period for applications to be submitted will apply. Once all applications have been received, they will be

assessed and the amount of award for each eligible business will be determined. The amount of award will be in line with the Tiered approach of the LRSG, meaning that awards will not initially exceed £3,000. However, the Council reserves the right to amend the levels of award at any point.

All the following eligibility criteria must be met:

- The business must have been trading at the time of the restriction.
- The application must be made online within the advertised application period.
- The application must be supported by the required documentation as set out in the policy and in the application form.
- Only one payment will be made per business, per qualifying period.

A qualifying period of 28 days is specifically in relation to the period of national restrictions, if local restrictions are imposed then 50% of the payment will be awarded for each 14-day qualifying restriction period.

- 8.10 Applicants will be able to apply via an online application process on our website. The application product, called Ascendant has been procured specifically for the purpose of administering the ARG and LSRG grants. The cost of Ascendant (£4,500) will be met from the new burden funding allocation.
- 8.11 Ascendant will automate some of the administrative checks that would otherwise be carried out manually, such as checking Companies House and validating bank details. This process will considerably reduce the administrative burden and enable applications to be processed in a timely manner. Whilst the checking process will be automated the final decision on each application will be made by the Revenues team.
- 8.12 As with previous grant schemes this scheme will be regularly publicised as widely as possible on our website, social media, adverts in the local press and through the Business Improvement Districts, to encourage businesses to apply and access the financial support available to them.

9. LEGAL IMPLICATIONS

- 9.1 The Local Restrictions Support Grant has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy on 09 September 2020 (and subsequently updated in October and November 2020) to provide financial assistance to businesses that has had to close to localised or widespread national restrictions put in place to manage Coronavirus and save lives. Localised restriction 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.
- 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 during the period of enforced closure due to the National restrictions which came into force on 05 November 2020.

- 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. The Council can make the grant payments under the State aid De Minimis rule, to any one organisation, provided doing so does not exceed the €200,000 threshold, over a three-year period. Where the De Minimis threshold has been reached, the Council can consider grant payments under the Covid-19 Temporary Framework for UK Authorities in which the threshold is €800,000.

10. FINANCIAL IMPLICATIONS

- 10.1 Funding for this scheme will be allocated to the Council at a rate of £20 per capita (£2.67m) Costs associated with administering this and the LRSG scheme will be covered by the allocation of new burdens funding. The amount of new burden funding is not known at this stage.
- 10.2 The funding is a one-off allocation to cover this current period of national lockdown and any further period of national lockdown or local restriction of Tier 3 or above in 20/21 and 21/22.
- 10.3 The Council may choose to use this funding to support businesses in Tier 2 and will consider this as an addendum to the main policy after the initial period for applications under the National lockdown application have been processed and paid.
- 10.4 No further funding will be available for this scheme, which must be taken into consideration when determining applications and the level of award, as well as considering any additional wider business support the Council may wish to provide.

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.
- 11.3 There is a risk that if a further period of restriction occurs during 20/21 or 21/22, the Council will have to significantly reduce the amount of support it can provide if it has already allocated most of the funding. To help mitigate this risk there will be a window of application so that the value of awards can be determined once all applications in each restriction period have been received.

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 – Additional Restriction Grant (ARG) final guidance.

17. APPENDICES

17.1 Appendix 1 – Additional Restrictions Grant Scheme (ARG)

NOTIFICATION DATE

27 November 2020

Signature of Executive Member Consulted

(Cllr Ian Albert, Executive Member for Finance and IT)

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

Date 26 November 2020

Signature of Decision Taker

A handwritten signature in black ink, appearing to be 'A. J. B.', written on a plain background.

Call-in does not apply to NON-EXECUTIVE DECISIONS