

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 Local Restrictions Support Grant (Closed) including Addendum (LRSG)
- 1.2 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 Ian Fullstone Acting as Managing Director (also as Service Director Regulatory)

3. DATE DECISION TAKEN:

- 3.1 13 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, which 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.

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 on and are in support of these proposals. 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 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 restrictions have been lifted, currently anticipated as 02nd December 2020. Whilst the scheme will initially be in response to the national lockdown it will also be in force should we enter a local restriction at any point after the national lockdown ends.
- 8.3 There are two schemes being implemented to support businesses during the period(s) of local or national restrictions, firstly the Local Restrictions Support Grant (closed) LRSG and Addendum and the Additional Restrictions Grant (ARG) This report is concerning the **LRSG** only.
- 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;
- All of the following eligibility criteria must be met:
- Businesses which were open for business and providing direct in-person services at the time of the restriction.
 - The hereditament must be shown in the local rating list as at the effective date.
 - Businesses that have been forced to close for a period of no less than 14 consecutive days as a result of regulations under the Public Health Act 1984
 - Businesses which provide the following; non-essential retail, leisure, personal care, sports facilities and hospitality businesses that operate primarily and an in-person venue.
- 8.5 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, as follows
- Rateable value of £15,000 and below will receive £1,334 per 28-day qualifying restriction period.
 - Rateable value of above £15,000 and less than £51,000 will receive £2,000 per 28-day qualifying restriction period.
 - Rateable value of £51,000 and above will receive £3,000 per 28-day qualifying restriction period.
- The 28-day qualifying period 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.
- 8.6 Any business failing to meet the criteria will not be eligible for a payment under this scheme, they may however be eligible under the ARG scheme.
- 8.7 Funding will be provided by Government to meet the costs of the payments and will be based on an assessment of the businesses currently within the business rate system. Funding will be paid to the Council under S31 of the Local Government Act 2003.
- 8.8 90% of the funding assessment will be provided on 13th November 2020 and through weekly Delta returns the level of funding will be monitored and topped up as required.

- 8.9 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 LRSG and ARG grants. The cost of Ascendant (£4,500) will be met from the new burden funding allocation.
- 8.10 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.
- 8.11 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 to encourage businesses to apply and access the financial support available to them.
- 8.12 Whilst there are no specific timeframes in which payments must be made, applications will be processed as quickly as possible with payments being made via daily BACS runs to ensure the businesses receive timely payments

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 have had to close due 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. 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 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 There are no direct financial implications to the Council. Costs associated with administering and payment of the schemes will be covered by the allocation of new burdens funding.

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.

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 – Local Restrictions Support Grant Guidance (closed) final guidance

17. APPENDICES

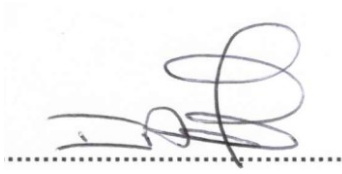
- 17.1 Appendix 1 – Local Restrictions Support Grant (closed) including Addendum

NOTIFICATION DATE

20th November 2020

Signature of Executive Member Consulted

(Ian Albert, Executive Member for Finance & IT)

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

Date 13th November 2020

Signature of Decision Taker

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

Acting as Managing Director (also as Service Director Regulatory)

Call-in does not apply to NON-EXECUTIVE DECISIONS