

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 Omicron Hospitality and Leisure Grant scheme.
- 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 12 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.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 To follow normal procedures, which would require a decision by Cabinet as per the Constitution terms of reference (5.6.17) This would clearly not be possible if the Council wishes to distribute this support quickly. The Omicron Hospitality and Leisure Grant is a Mandatory Grant and effective from 30 December 2021. It is essential that we can start making payments to qualifying businesses as soon as possible to support those sectors who may be struggling due to recent increases in Omicron cases.

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.

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 CONSIDERATIONS

- 8.1 On the 21st December 2021, Government announced the introduction of grant support for hospitality and leisure businesses in England. The grant funding provides support to businesses in recognition that the rise of the Omicron variant means that some businesses are likely to struggle over the coming weeks.
- 8.2 This support will take the form of a one of grant of up to £6,000, funding is only available in the financial year 2021/2022. The scheme is called the Omicron Hospitality and Leisure Grant and will be administered by business rate billing authorities in England.
- 8.3 The funding is specifically to support businesses providing in person hospitality, leisure and accommodation. The level of funding will depend on 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 30 December
 - Businesses which were occupying the ratings list on 30 December 2021
 - Businesses where their main business falls within leisure, hospitality or accommodation.
- 8.6 For the purpose of this scheme the definitions of hospitality, leisure and accommodation and the list of exclusions to the definitions can be found in Section 2 of the policy document.
- 8.7 The grant amount payable will depend on the rateable value of the hereditament on 30 December 2021:
- 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
- 8.8 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 28 February 2022 and final grant payments must be made by 31 March 2022.
- 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 Omicron Hospitality and Leisure Grant will be implemented by the Council in response to the Government announcement of one-off grant funding to support those businesses likely to be struggling due to the increase in Omicron cases.
- 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 The EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period, which ended on 31 December 2020. The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.
- 9.5 There are three subsidy allowances for the COVID-19 Business Grant Schemes as set out below:
- (i) Small Amounts of Financial Assistance Allowance: Grants may be paid in accordance with Article 364(4) of the TCA, which enables an applicant to receive up to a maximum level of subsidy without engaging Chapter 3 of the TCA. This allowance is up to 325,000 Special Drawing Rights, to a single economic actor over a rolling period of three fiscal years (the "Relevant Period"), which is the equivalent of £335,000 as at 2 March 2021.
 - (ii) COVID-19 Business Grant Allowance: Where the Small Amounts of Financial Assistance Allowance has been reached or an applicant has elected not to receive a grant under this allowance, grants may be paid in compliance with the Principles set out in Article 366 of the TCA and in compliance with Article 364(3) of the TCA under the COVID-19 Business Grant Allowance (subsidies granted on a temporary basis to respond to a national or global economic emergency). This allowance is £1,900,000 per single economic actor.
 - (iii) COVID-19 Business Grant Special Allowance: Where an applicant has reached its limit under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, it may be able to access a further allowance of funding under the COVID-19 Business Grant Schemes of up to £10,000,000 per single economic actor, provided certain conditions are met.
- 9.6 Local Authorities must ensure the remaining applicable provisions of the subsidies chapter of the TCA are complied with. In particular, the transparency obligations under Article 369.

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, the intention of Government is that the Council can provide the available financial support to local businesses as soon as possible after 20 December 2021. The closing date for applications is 28 February 2022 and all payments must be made by 31 March 2022. 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 – Omicron Hospitality and Leisure Grant – Guidance for Local Authorities, December 2021 (Updated 12 January 2022) [Omicron Hospitality and Leisure Grant Guidance \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1014422/omicron-grant-guidance-for-local-authorities-12-jan-2022.pdf)

17. APPENDICES

17.1 Appendix 1 – Omicron Hospitality and Leisure Grant scheme – December 2021

NOTIFICATION DATE: 14 January 2022.

Signature of Executive Member Consulted



(Ian Albert, Executive Member for Finance & IT)

Date: 11 January 2022

Signature of Decision Taker

A handwritten signature in black ink, appearing to read 'A J Roche', with a horizontal line extending to the right.

Anthony Roche, Managing Director

Please Note: that *unless urgency provisions apply* EXECUTIVE decisions cannot be implemented until 5 clear working days have elapsed after the decision has been taken to allow for scrutiny call-in.