

LEADER

1 JUNE 2020

REPORT OF CHIEF EXECUTIVE

A.1 DISCRETIONARY BUSINESS GRANTS SCHEME

(Report prepared by Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To set out the proposed discretionary business grant scheme for approval.

EXECUTIVE SUMMARY
<ul style="list-style-type: none">• A Discretionary Business Grant Scheme was announced by the Government in May, supported by the publication of further guidance thereafter.• The new scheme has been established by the Government to respond to the issues faced by many businesses who were not able to access support from the existing small business / rural rate relief scheme or the hospitality, leisure and retail grant scheme.• Although the guidance provided for local discretion, the Government did set out national criteria that had to be reflected in the scheme along with four priority business sectors.• The Government have provided the Council with £1.7m to fund the scheme. Therefore two key aspects of the proposed scheme are to support as many businesses as possible but within this overall funding allocation.• To deliver on the above approach the scheme has been designed to enable not only the 4 priority businesses identified by the Government to access support, but to extend the opportunity for financial help to other business who have also been adversely impacted by the COVID 19 crisis.• The proposed policy attached sets out grant amounts of between £2k and £10k with the ability to award £25k to a business in exceptional circumstances. Given the scheme needs to be administered within the overall funding allocation of £1.7m, the proposed policy allows the Council to review the actual grant amounts once all applications have been received.• To effectively administer the scheme and to support as many businesses as possible, an application process will be introduced along with a deadline of the 14 June, rather operating the scheme on a first come first served basis.• The recommendations below also seek a delegate to the Chief Executive to implement the scheme amend the policy in line with any emerging Government guidance.

RECOMMENDATION(S)
a) That the Leader approves the policy as set out as attached.
b) That the Leader delegates authority to the Chief Executive to implement and administer the scheme and amend the policy in line with any emerging Government guidance.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES
FINANCE, OTHER RESOURCES AND RISK
Finance and other resources The Government has provided the Council with a grant fund of approximately £1.7m and the design of the scheme will ensure that the overall cost is accommodated within this overall amount, with no net financial impact on the Councils. There will be some advertising costs associated with the scheme, which will be met from either wider Government COVID 19 support payments or from within existing budgets. Risk Risks in administering the scheme have been set out in the policy and include complaints / appeals and the risk of fraud error.
LEGAL Section 1 of the Localism Act 2011, provides all local authorities with the power to make these payments and is expressly referred to in the grant determination / guidance issued by the Government.
OTHER IMPLICATIONS Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below. Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement. There are no direct implications with the design of the scheme providing the opportunity to access financial support to various businesses / organisations across the district.

PART 3 – SUPPORTING INFORMATION

PROPOSED DISCRETIONARY BUSINESS GRANT SCHEME
The Government announced in early May on 1 May 2020, a further business grant scheme to respond to those business that were not eligible for financial support under the existing small business / rural rate relief and hospitality, leisure and retail grant schemes. The Government has provided the Council with a sum of approximately £1.7m , which represents 5% of the original (adjusted) allocation for the existing schemes.

Whilst wanting Council's to exercise their local knowledge and discretion, the Government have set national criteria for use of this funding

In all cases, the Council will only consider businesses for a Discretionary Business Grant where all of the criteria are met, as set out the attached policy.

The funding level is finite and therefore, although keen to ensure that grants are given to the maximum number of businesses, the overall cost of the scheme needs to be accommodated within the overall amount of Government funding. In order to fairly administer the scheme, the proposed approach is to hold an application 'window' of between 1 June and 14 June 2020. This balances the need to get the money out in a reasonable timescale but enables as many businesses as possible the opportunity to apply. The alternative would be to operate the scheme on a 'first come first served' basis but this would have limited the number of business that it was possible to support.

Any business wishing to claim will be asked to complete a form on the Council's website and once the application window period is closed, all awards will be considered against the criteria set out within the policy. The Council will be promoting the scheme through as many communication channels as possible.

Although Officers will be implementing and administering the scheme once the policy is approved, a recommendation is included to provide a delegation to the Chief Executive to make changes to reflect any further guidance that may emerge from the Government.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Attached – Proposed Discretionary Business Grants Scheme 2020/21