

Officer Delegation Decision – 30 April 2021

On 30 March 2021 the Leader agreed an urgent report setting out proposed changes to Business Grant Schemes , one of which being the Local Restrictions Support Grant (OPEN) scheme.

The report set out the following proposals:

1) Local Restrictions Support Grant (OPEN) - LRSG (OPEN)

This scheme is aimed at businesses who were allowed to remain open but were severely impacted by the Tier 2 local restrictions between 2 December 2020 and 25 December 2020.

The current phase of this scheme, which was agreed in January, prioritised a number of sectors that took into account feedback from local businesses. The sectors prioritised were hospitality, hotels, B&B, Leisure, the events sector, the taxi and travel sector, along with suppliers to all of those sectors.

Grant payments are currently based on those set out by the Government and are as follows:

Rateable Value or Size of the Business	Daily Amount Payable
Business with RV £15k or under (or Micro Sized business if not operating from a rateable property)	£33.36
Business with RV £15k or over but less than £51k (or Small Sized Business if not operating from a rateable property)	£50.00
Business with RV £51k or over (or Medium Sized Business if not operating from a rateable property)	£75.00

Although the scheme came to an end on 26 December when Tier 4 / National restrictions came into force, applications can still be made up to the 31 March 2021, which is the deadline set by the Government.

With the above in mind, it is timely to review the latest position in terms of the amount of money distributed to date and whether there are any changes that can be made to the scheme to maximise the use of the funding made available by the Government.

As at the 24 March the value of grants awarded against the funding made available by the Government is as follows:

Government Funding Received	Value of Grants Paid out to date	Remaining Balance
£1,065,884	£659,916 (to 465 grant recipients)	£405,968

In terms of the potential / practical changes that can be made to the scheme before the 31 March deadline, Government guidance does provide the flexibility to change the daily amounts set out above.

Our existing LRSG (OPEN) Policy also includes the following clause:

The Council reserves the right to change the amount of grant awards, depending on the number of applications received.

Determining the 'right' level of grant funding from the start of the period back in December was inherently difficult as there would have been no reasonable way to gauge the potential level of demand, and the total value of the grants awarded had to be accommodated within the overall funding made available by the Government.

Therefore, in line with Government guidance and our existing LRSG (OPEN) policy, it is proposed to revise the daily amounts awarded to reflect the actual level of demand for support under this scheme, following which retrospective payments will be made to eligible grant recipients. This can only be done on 1 April 2021 once the deadline has passed as new applications are still being received. A delegation is therefore included within the recommendations above to enable the Assistant Director Finance and IT to determine the actual daily amounts. Based on current estimates, this may result in individual 'top up' amounts of up to £1,000 being paid, covering the period from 2 December to 25 December.

Given the timescales and deadlines involved, it would not be possible to redesign the scheme to prioritise further business sectors.

The recommendation mentioned above was as follows:

That the Leader approves:

b) the proposals relating to the LRSG (OPEN) business grant scheme and Local Council Tax Support Payment Scheme set out in this report [relevant extract above] along with a delegation to the Assistant Director Finance & IT to determine the final grant / payment amounts with the overall cost of the schemes not exceeding the associated funding made available by the Government;

Proposed Changes to the Daily Amounts payable in line with the delegation above.

The final overall position against the LRSG (OPEN) scheme on 1 April 2021 was as follows:

Government Funding Received	Value of Grants Paid out to date	Remaining Balance
£1,065,884	£731,566.65 (to 559 grant recipients)	£334,317.35

The adjustment required to the original 'daily' rates to utilise the full level of funding and therefore apply the balance of £334,317.35 above is as follows:

Rateable Value or Size of the Business	Original Daily Amount Payable	Revised Daily Amount Payable	Number of Grant Recipients
Business with RV £15k or under (or Micro Sized business if not operating from a rateable property)	£33.36	£56.27	485
Business with RV £15k or over but less than £51k (or Small Sized Business if not operating from a rateable property)	£50.00	£84.34	58
Business with RV £51k or over (or Medium Sized Business if not operating from a rateable property)	£75.00	£126.51	16

The proposed changes to the 'daily' amounts will result in 'top' up payments covering the 24 day period from 2 December 2020 to 25 December 2020, which will total £550, £824 and £1,236 across the three levels set out within the table above respectively.

The 'top' up amounts will be paid to grant recipients on 30 April 2021 in-line with Government guidance.