

Decision Maker: Councillor John Lodge,
Leader of the Council

Date:
9th July 2021

Title: Covid-19 Business Support Grant - Additional Restrictions Grants

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Summary

1. In response to the public health emergency, Coronavirus (Covid-19) the Government has provided additional financial support for businesses during the periods of local and national lockdowns.
2. Following the lifting of most Government restrictions in the Spring / Summer of 2021 the Government announced that the only available Government funded grant would be the Additional Restrictions Grant, a discretionary grant that can be used to support the following:
 - Businesses that have been and continue to be severely impacted by the Coronavirus restrictions; and
 - Businesses from sectors that remain closed or severely impacted by the extended restrictions, even if those businesses have already been in receipt of Restart Grants.
3. The Additional Restrictions Grant Policy requires amendment to reflect the ever-changing situation and to outline the eligibility criteria for the current grant window, exclusions, and award levels.

Recommendations

4. It is requested that the amended Additional Restrictions Grant Policy as attached as Appendix A is approved.

Financial Implications

5. All grant payments will be fully reimbursed under S31 of the Local Government Finance Act 2003.

Background Papers

6. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

Appendix A – ARG Policy Window 4 – 1st July 2021– 31st July 2021

Appendix B – ARG Policy for Window 3 – 24th March 2021 – 16th May 2021

Appendix C – Table of changes between Window 3 Policy and Window 4 Policy

Impact

7.

Communication/Consultation	N/A
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

Situation

8. The provision of the ARG was announced on 31st October 2020 as a discretionary grant administered by local authorities. The Government envisaged that its primary form would be discretionary grants to businesses ineligible for other Government funded business support grant schemes.
9. Although there are some criteria set by Government the council has a level of flexibility to apply their own discretion to the criteria and the levels of grants payable. An ARG policy is developed for each window of the scheme. The last window which covered the period 24th March 2021 to 16th May 2021 was covered by the policy approved in March 2021 and set out in Appendix B.
10. All grants processed and paid between 24th March and 16th May were subject to the criteria as set out in the policy (Appendix B).
11. The Government has amended the criteria of the original grant requesting support is focussed on businesses that remain closed or severely impacted by the Coronavirus restrictions and that the grant is open to all businesses, whether they have a business rateable value or not, if they meet the eligibility criteria.
12. In line with the Government request and amended criteria, it is recommended that the Councils discretionary policy is amended to allow for the flexibility required to support the most severely impacted businesses in the local economy, including:
 - Travel and tourism sector
 - Event and event management sector including performance and supply chain

- Wedding sector and supply chain
- Taxi drivers and operators
- Aviation sector and supply chain
- Others who can evidence that they continue to be severely impacted

13. Full details of the changes have been set out in the table attached as Appendix C, Policy changes. The ARG Policy Window 3 (24th March – 16 May 2021) is attached as Appendix B and the new Policy for Window 4 (1st – 31st July 2021) is attached as Appendix A.

14. This scheme is covered by 3 subsidy allowances (replace the State Aid Framework) and grants under these 3 allowances can be combined for a potential total allowance of up to £10,935,000 (subject to exchange rates).

- Small Amounts of Financial Assistance Allowance – you're allowed up to £335,000 (subject to exchange rates) over any period of 3 years
- COVID-19 Business Grant Allowance – you're allowed up to £1,600,000
- COVID-19 Business Grant Special Allowance - if you have reached your limits under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, you may be able to access a further allowance of funding under these scheme rules of up to £9,000,000, provided certain conditions are met

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
That the grants are not administered based on the guidance and eligibility criteria	2 – data is collected and checked.	2 – incorrect allocations of grants, loss of income from government reimbursement	staff are collecting and checking details against data bases and will have the support of new software provided by HMRC to check for fraudulent claims

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.