

# Public Document Pack

## Executive Member Decisions

Friday, 29th May, 2020

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Date Published: 29<sup>th</sup> May 2020  
Denise Park, Chief Executive

## EXECUTIVE MEMBER DECISION



<b>REPORT OF:</b>	Executive Member for Finance and Governance
<b>LEAD OFFICERS:</b>	Director of Finance and Customer Services
<b>DATE:</b>	29 <sup>th</sup> May 2020

**PORTFOLIO/S AFFECTED:** Finance and Governance

**WARD/S AFFECTED:** All

**SUBJECT: Hardship Scheme 2020/21**

### 1. EXECUTIVE SUMMARY

This report details how the Council will award its allocation of the Government announced COVID-19 Hardship Fund 2020/21.

The government has recognised that COVID-19 is likely to cause fluctuations in household incomes and, as a result, some individuals may struggle to meet their Council Tax payments. This new grant has therefore been allocated to support economically vulnerable people through the pandemic via a council tax relief.

The Government has instructed Councils to allocate additional support using the discretionary powers under s13A (1) (c) of the Local Government Finance Act 1992.

### 2. RECOMMENDATIONS

That the Executive Member approves the scheme outlined in the report.

### 3. BACKGROUND

As part of its response to COVID-19, the Government announced in the Budget on the 11<sup>th</sup> March 2020 that it would provide local authorities in England with £500m of new grant funding to support economically vulnerable people and households in their local area. For Blackburn with Darwen BC our allocation amounts to £2,194,182.

The Government has outlined its expectation that all recipients of working age Council Tax Support during the financial year 2020/21 will receive a further reduction in their annual Council Tax bill of £150. In addition, Councils have been asked to establish their own local approach to using the remainder of the grant to assist those in need.

On the 31<sup>st</sup> March there was a total of 10,609 working age claimants in receipt of Council Tax Support. However as expected, this figure has continued to increase throughout April and looks likely to increase significantly during the financial year.

#### 4. KEY ISSUES & RISKS

##### 4.1 Details of the relief scheme

It is the Council's intention to ensure that the assessment and award of the Hardship relief is simple and efficient to administer.

As indicated in section 3, in line with the Government instructions, all current recipients of Council Tax Support will be awarded an additional £150, however, if following the application of Council Tax Support, the amount owed is less than £150, the amount awarded will look to reduce the Council Tax liability to nil.

As the impact of the recession becomes known, it will become clearer as to how many additional claimants of Council Tax Support will require the £150 award. Once we have greater clarity on the number of people claiming Council Tax Support we will be in a position to develop further policies to allocate any residual funding.

#### 5. POLICY IMPLICATIONS

None.

#### 6. FINANCIAL IMPLICATIONS

The discounts outlined in this report will be fully funded by the Government through a grant under section 31 of the Local Government Act 2003.

#### 7. LEGAL IMPLICATIONS

The administration and award of the relief will be through s13A(1)(c) of the Local Government Finance Act 1992.

The policy the Council has adopted provides transparency and shows the criteria that the Council will apply when making their decisions as to whether or not to grant the discounts. The Council must, however, consider applications which may fall outside the policies and should not be fettered in its decision making by the terms of the policy. The Council is, however, bound by the guidance set out by the Government as to when reliefs can be made.

#### 8. RESOURCE IMPLICATIONS

Any additional work required from the administration of the new relief will be undertaken within existing resources.

#### 9. EQUALITY AND HEALTH IMPLICATIONS

**Please select one of the options below. Where appropriate please include the hyperlink to the EIA.**

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

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**10. CONSULTATIONS**

None.

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**11. STATEMENT OF COMPLIANCE**

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

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**12. DECLARATION OF INTEREST**

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

<b>VERSION:</b>	<b>1</b>
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<b>CONTACT OFFICER:</b>	<b>Andy Ormerod</b>
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<b>DATE:</b>	21 <sup>st</sup> May 2020
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<b>BACKGROUND PAPER:</b>	
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## EQUALITY IMPACT ASSESSMENT CHECKLIST

***This checklist is to be used when you are uncertain if your activity requires an EIA or not.***

An Equality Impact Assessment (EIA) is a tool for identifying the potential impact of the organisation's policies, services and functions on its residents and staff. EIAs should be actively looking for negative or adverse impacts of policies, services and functions on any of the nine protected characteristics.

The checklist below contains a number of questions/prompts to assist officers and service managers to assess whether or not the activity proposed requires an EIA. Supporting literature and useful questions are supplied within the [EIA Guidance](#) to assist managers and team leaders to complete all EIAs.

<b>Service area &amp; dept.</b>	Council Tax - Finance and Customer Services	<b>Date the activity will be implemented</b>	08/06/2019
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<b>Brief description of activity</b>	Implementation of a Hardship Scheme for Council Tax Support claimants
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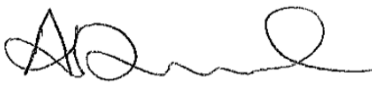

Answers favouring doing an EIA	Checklist question	Answers favouring not doing an EIA
<input type="checkbox"/> Yes	Does this activity involve any of the following: - Commissioning / decommissioning a service - Budget changes - Change to existing Council policy/strategy	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes	Does the activity impact negatively on any of the protected characteristics as stated within the Equality Act (2010)?	<input checked="" type="checkbox"/> No
<input type="checkbox"/> No <input type="checkbox"/> Not sure	Is there a sufficient information / intelligence with regards to service uptake and customer profiles to understand the activity's implications?	<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> Yes <input type="checkbox"/> Not sure	<b>Does this activity:</b> Contribute towards unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act <i>(i.e. the activity creates or increases disadvantages suffered by people due to their protected characteristic)</i>	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes <input type="checkbox"/> Not sure	Reduce equality of opportunity between those who share a protected characteristic and those who do not <i>(i.e. the activity fail to meet the needs of people from protected groups where these are different from the needs of other people)</i>	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes <input type="checkbox"/> Not sure	Foster poor relations between people who share a protected characteristic and those who do not <i>(i.e. the function prevents people from protected groups to participate in public life or in other activities where their participation is disproportionately low)</i>	<input checked="" type="checkbox"/> No
<b>FOR = 0</b>	<b>TOTAL</b>	<b>AGAINST = 6</b>

**Will you now be completing an EIA?**

Yes

No

The EIA toolkit can be found [here](#)

<b>Assessment Lead Signature</b>	
<b>E&amp;D Lead Signature</b>	
<b>Date</b>	20/05/2020

## Executive Member Decision



**REPORT OF:** Executive Member for Finance and Governance,  
Executive Member for Growth and Development

**LEAD OFFICERS:** Director of Growth & Development

**DATE:** Friday 15<sup>th</sup> May 2020

**PORTFOLIO(S) AFFECTED:** Growth and Development

**WARD/S AFFECTED:** Blackburn South and Lower Darwen

### **SUBJECT:**

LEP funding agreement for new link road connecting Milking Lane with Greenbank Terrace, Lower Darwen.

### **1. EXECUTIVE SUMMARY**

To seek approval to enter into a funding agreement via Barnfield Blackburn Ltd, a joint venture company in which the Council is a 25% shareholder.

### **2. RECOMMENDATIONS**

That the Executive Members:

- 2.1 Approve that the Council as shareholder of Barnfield Blackburn Ltd authorises the nominated Council Directors to sign off a funding agreement with the Lancashire Local Enterprise Partnership (LEP) for construction of a new link road.
- 2.2 Approve that the Council underwrites the funding agreement as guarantor as a parent entity of Barnfield Blackburn Ltd.
- 2.3 Note that Barnfield Construction Ltd will also underwrite the funding agreement as guarantor as the other parent company of Barnfield Blackburn Ltd.

### **3. BACKGROUND**

- 3.1 The land at the former Lower Darwen Paper Mill was acquired in 2018 by Barnfield Blackburn Ltd (BBL), a joint venture company between the Council and Barnfield Construction Ltd.
- 3.2 Commercial development parcels are being marketed as Millbank Business Park.
- 3.3 Residential development parcels will be tendered to housing developers.
- 3.4 Upon purchase the intention was to demolish and clear the derelict buildings on the site, obtain outline planning permission and subsequently dispose of the plots for a mix of uses including residential to the North East, off Milking Lane; and commercial to the West of the site, off Greenbank Terrace.
- 3.5 Lancashire LEP funding of £1,400,000 was approved in principle in September 2019 for a new road linking Greenbank Terrace to Milking Lane – this new road will open up development,

alleviate traffic congestion on Milking Lane and improve the local highway network for existing residents and those attending Lower Darwen Primary School.

- 3.6 Potential flooding issues to Greenbank Terrace will be resolved as a result of a flood mitigation strategy which has been developed by a flood risk management consultancy and incorporated into the road construction scheme; and the proposed measures were conditionally approved by the Environment Agency through the hybrid planning application assessment which was approved in February 2020. Full planning approval was received for the link road, and outline planning approval for the surrounding development plots.
- 3.7 In order for Barnfield Blackburn Ltd to receive the approved funding from Lancashire LEP, it is necessary to enter into a funding agreement. The funding agreement allows for a maximum of £1,400,000 grant towards the total capital requirement of £1,650,000 for the new road. Barnfield Blackburn Ltd will contribute £250,000 towards the scheme which is a condition of the funding agreement. As part of the agreement, BBL are required to construct the new link road connecting Milking Lane to Greenbank Terrace and a new roundabout and access improvements at Greenbank Terrace. In addition a new flood alleviation scheme will be constructed as part of the development scheme. The completion date for the scheme is March 2021.
- 3.8 The Lancashire LEP also requires a guarantee from the parent companies of BBL (Blackburn with Darwen Borough Council and Barnfield Construction) to underwrite the agreement in the event of BBL ceasing to trade.

#### **4. KEY ISSUES & RISKS**

- 4.1 The Lancashire LEP funding bid was prepared and approved subject to the completion of the funding agreement and guarantee.
- 4.2 Should the funding agreement and guarantee not be agreed, then the grant money will not be obtained and the road works unable to be completed, damaging the value of the site and available opportunities for development.
- 4.3 Ultimately, the Council and Barnfield Construction Ltd could be called upon by the Lancashire LEP to cover any financial overruns or issues that BBL encounter.

#### **5. POLICY IMPLICATIONS**

Construction of the link road will improve the transport network in the area, reduce congestion, regenerate a brownfield site, and also open up the site for the development of a mix of uses, to create job opportunities and high quality homes. The outcomes will therefore meet the objectives of the Councils adopted Growth Strategy (Core Strategy, 2011) and the aspirations of the adopted Blackburn with Darwen Borough Local Plan Part 2 (Site Allocations and Development Management Policies) which allocates the site as a Development Opportunity for employment and residential uses under Policy 28/9.

## 6. FINANCIAL IMPLICATIONS

6.1 BBL will contribute £250,000 towards the scheme capital costs of £1,650,000 with £1,400,000 funded by the LEP.

6.2. BBL has funds within the joint venture to cover the company contribution.

6.3 Any costs incurred over and above the capital costs shall be the responsibility of BBL and will require further funding from the shareholders.

## 7. LEGAL IMPLICATIONS

A form of guarantee for grant funding made to a limited liability company is considered a commercially standard form of protection to be expected and required as a condition of that funding. The Council under the Localism Act 2011 in addition to earlier legislation provides sufficient authority for it to provide this type of guarantee.

## 8. RESOURCE IMPLICATIONS

8.1 Nominated director and surveyor resources will be required to complete the transaction.

## 9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below.

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision.

## 10. CONSULTATIONS

The proposal has been subject to consultations between Council Officers, Executive members, and Legal and Planning departments. Public consultation on the development proposals, including the new link road, took place prior to the granting of planning permission.

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

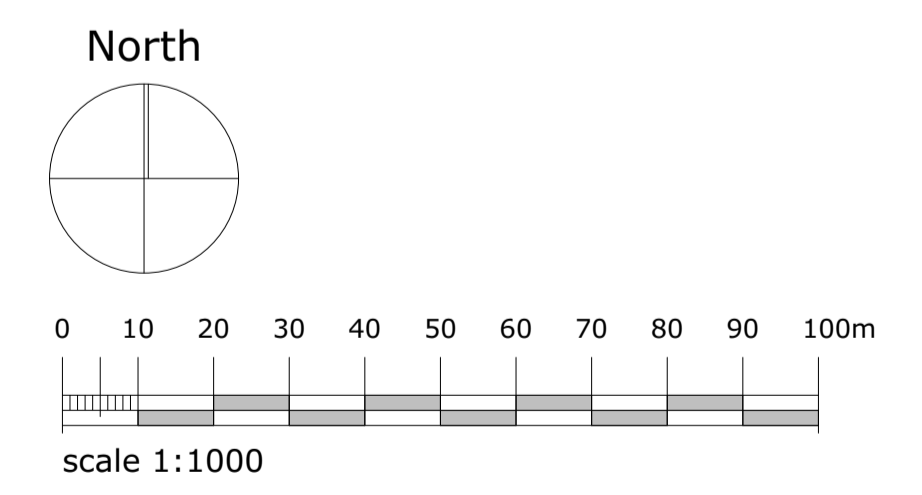
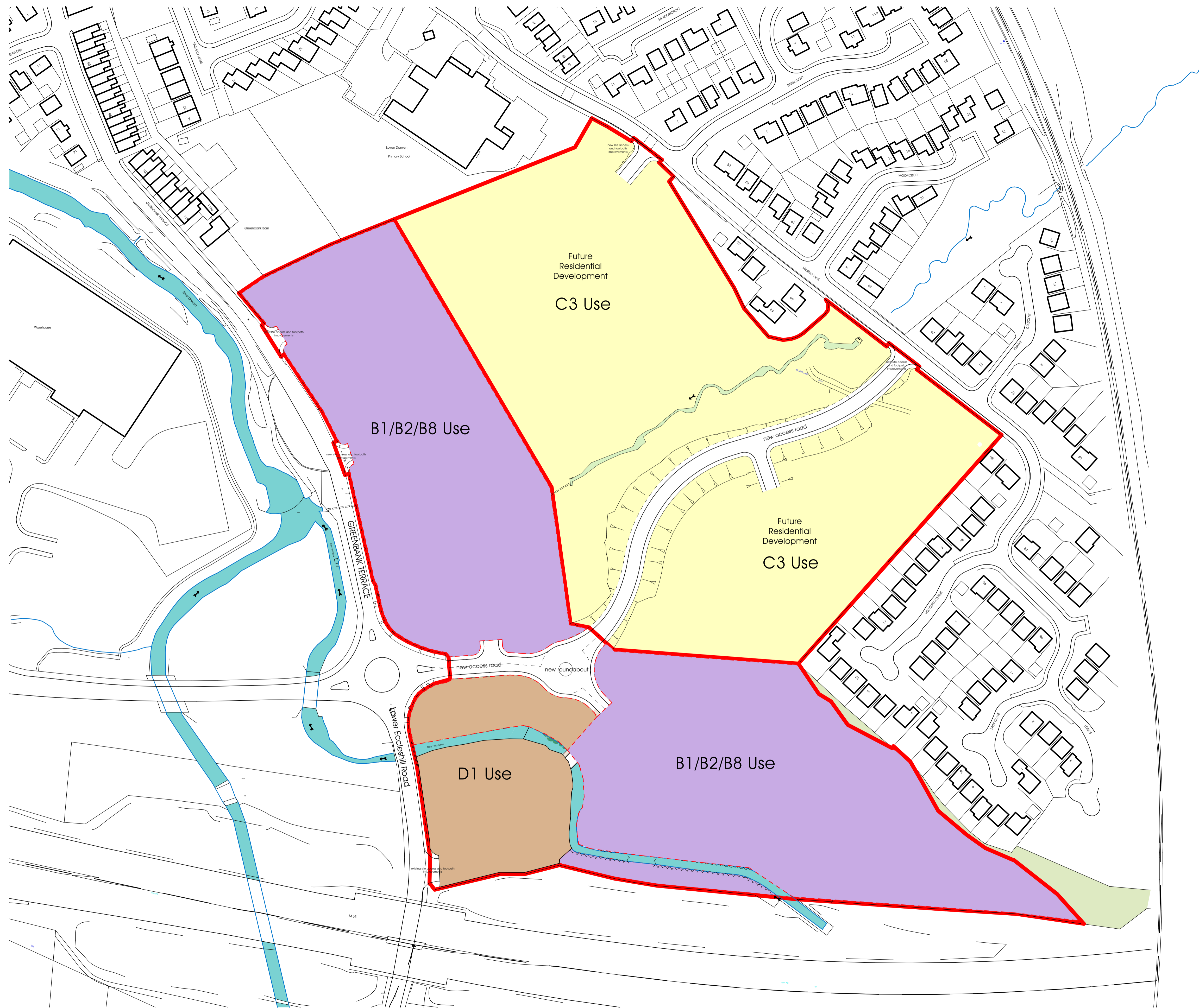
All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published.

<b>CONTACT OFFICER:</b>	Alex Wildman, Strategic Development Manager (Commercial)
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<b>DATE:</b>	13 <sup>th</sup> May 2020
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**campbelldriverpartnership**  
architects

client: barnfield blackburn ltd

project: site development  
greenbank terrace darwen

sheet: site uses 1:1000

job no: 18.107	dwg no: 006	C
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## EQUALITY IMPACT ASSESSMENT CHECKLIST

***This checklist is to be used when you are uncertain if your activity requires an EIA or not.***

An Equality Impact Assessment (EIA) is a tool for identifying the potential impact of the organisation's policies, services and functions on its residents and staff. EIAs should be actively looking for negative or adverse impacts of policies, services and functions on any of the nine protected characteristics.

The checklist below contains a number of questions/prompts to assist officers and service managers to assess whether or not the activity proposed requires an EIA. Supporting literature and useful questions are supplied within the [EIA Guidance](#) to assist managers and team leaders to complete all EIAs.

<b>Service area &amp; dept.</b>	Growth and Development	<b>Date the activity will be implemented</b>	15/05/2020
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<b>Brief description of activity</b>	Enter into LEP funding agreement
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Answers favouring doing an EIA	Checklist question	Answers favouring not doing an EIA
<input type="checkbox"/> Yes	Does this activity involve any of the following: - Commissioning / decommissioning a service - Change to existing Council policy/strategy - Budget changes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes	Does the activity impact negatively on any of the protected characteristics as stated within the Equality Act (2010)?	<input checked="" type="checkbox"/> No
<input type="checkbox"/> No <input type="checkbox"/> Not sure	Is there a sufficient information / intelligence with regards to service uptake and customer profiles to understand the activity's implications?	<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> Yes <input type="checkbox"/> Not sure	<b>Does this activity:</b> Contribute towards unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act <i>(i.e. the activity creates or increases disadvantages suffered by people due to their protected characteristic)</i>	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes <input type="checkbox"/> Not sure	Reduce equality of opportunity between those who share a protected characteristic and those who do not <i>(i.e. the activity fail to meet the needs of people from protected groups where these are different from the needs of other people)</i>	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes <input type="checkbox"/> Not sure	Foster poor relations between people who share a protected characteristic and those who do not <i>(i.e. the function prevents people from protected groups to participate in public life or in other activities where their participation is disproportionately low)</i>	<input checked="" type="checkbox"/> No
<b>FOR =0</b>	<b>TOTAL</b>	<b>AGAINST =6</b>

**Will you now be completing an EIA?**

Yes

No

The EIA toolkit can be found [here](#)

<b>Assessment Lead Signature</b>	Alex Wildman
<b>Checked by departmental E&amp;D Lead</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No      Gwen Kinloch
<b>Date</b>	20/05/2020

# Agenda Item 3

## EXECUTIVE MEMBER DECISION



<b>REPORT OF:</b>	Executive Member for Finance and Governance Executive Member for Growth and Development
<b>LEAD OFFICERS:</b>	Director of Growth and Development Director of Finance and Customer Services
<b>DATE:</b>	27 May 2020

<b>PORTFOLIO/S AFFECTED:</b>	Growth and Development	Finance and Governance
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<b>WARD/S AFFECTED:</b>	All
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<b>SUBJECT:</b> Covid-19 Discretionary Business Grant Programme
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### 1. EXECUTIVE SUMMARY

To seek approval for the proposed Council policy and guidance supporting its Covid-19 Discretionary Business Grants Programme.

### 2. RECOMMENDATIONS

That the Executive Members:

1. Approve the policy and guidance in support of the Council's Covid-19 Discretionary Business Grants Programme, as set out in this report and supporting annexes;
2. Delegate responsibility to the Director of Growth and Development, in conjunction with the Director of Finance and Customer Services, to finalise the levels of grant payments below £10,000, given the number of applications expected and the limited funding support made available by Government;
3. Request regular updates on progress in delivering the Programme;
4. Agree a report detailing the grants paid under the Programme will be presented to the Executive Board in July 2020

### 3. BACKGROUND

This report sets out the qualifying national and local criteria and supporting evidence required for those intending to apply to the Council's *Covid-19 Discretionary Business Grants Programme*. This programme is fully aligned with the Government's Local Authority Discretionary Grants Fund guidance issued on 13<sup>th</sup> May and updated on 23<sup>rd</sup> May 2020.

This Discretionary Business Grants Programme is a new fund and is in addition to the Small Business Grant Fund (SBGF) and the Retail Hospitality and Leisure Grant Fund (RHLGF) for which the Council received grant funding from the Government to pass on to all local businesses that met

the eligibility criteria that they had set. These funds are still 'live' and receiving applications with over £36.5million already paid out and over 3,300 businesses supported.

The Government has determined the Council will receive a maximum discretionary funding allocation of £2.25M.

The Council's *Covid-19 Discretionary Business Grants Programme* is predominantly aimed at small businesses with relatively high fixed property-related costs, experiencing a significant fall in income due to Covid-19 impacts, and ineligible to apply for support from the SBGF or the RHLGF.

The Council's proposed programme is aligned with the Government's guidance and its mandatory requirements with the addition of small manufacturing and production businesses within the scope of our scheme. The Government's guidance allows for Councils to exercise discretion in designing a local grant programme to meet the business needs of their area.

The Council's proposed approach is set out in detail at Annexes 1 (Policy and Guidance) and 2 (Criteria Framework). Key highlights include the following:

- The inclusion of small manufacturing and production businesses within the scope of the Council's discretionary grant scheme in addition to the business sectors defined by Government.
- The expectation that local business demand for discretionary grant support will outstrip the £2.25M made available by Government.
- Given the likely demand for grant support the Council will operate a 14 day application window to allow eligible local businesses to submit their application forms.
- Council officers will aim to ensure the application process is as streamlined as possible with compliance requirements consistent with Government guidance.
- The proposed application window to open on 1 June, close on 14 June, with approved grant payments made from 19 June onwards.
- A further call for applications will be issued if there are still funds available and/or Government makes more funding available.
- The maximum grant available is £25,000, though only offered in exceptional circumstances and linked to size, Covid-19 impacts and strategic importance of the business. Most grant payments are expected to be less than £10,000.
- The Council's approach to setting grant payment levels below £10,000 will be finalised once the overall level of business demand is assessed during the application window.

The Council will continue to promote the Government's SBGF and the RHLGF whilst also highlighting that the Discretionary Fund available to eligible businesses that have yet to receive any grant funding support.

The Council will also continue to make the case to Government that any unallocated SBGF and RHLGF monies should be retained and re-assigned to support local economic recovery measures.

#### **4. KEY ISSUES & RISKS**

It is likely that business demand for grant support will be over-subscribed given the limited level of funding made available by Government. Given the onset of the recession, there is a risk that a significant number of local businesses and jobs may not be safeguarded.

## 5. POLICY IMPLICATIONS

The proposed policy and guidance has been amended to better reflect local business needs but the scale of resource available is not commensurate with level of likely demand.

## 6. FINANCIAL IMPLICATIONS

The Government has determined the Council will receive a maximum discretionary funding allocation of £2.25M. In line with Government guidance, the Council will award discretionary grants of £25,000, £10,000 or an amount of less than £10,000. Most grant payments are expected to be less than £10,000.

## 7. LEGAL IMPLICATIONS

There are no direct implications. Successful applicants will be responsible for ensuring they are fully compliant with all requirements set out in Council and Government guidance with risks of prosecution and claw-back for any manipulated and/or fraudulent claims.

The Localism Act 2011 provides the Council powers to administer the Covid-19 Discretionary Business Grant Programme. State funded support to businesses will be subject to State Aid law and the threshold/limits will apply.

## 8. RESOURCE IMPLICATIONS

A significant amount of officer time and capacity in the Council's Growth and Development and Finance teams has been (and will be) focused on the management and delivery of current and proposed Covid-19 business grants.

## 9. EQUALITY AND HEALTH IMPLICATIONS

**Please select one of the options below. Where appropriate please include the hyperlink to the EIA.**

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

## 10. CONSULTATIONS

Officers and Members have been involved in developing the overarching policy and approach to the Council's discretionary grant fund within the scope of Government guidance.

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

<b>VERSION:</b>	<b>1</b>
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<b>CONTACT OFFICER:</b>	Martin Kelly
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<b>DATE:</b>	27 May 2020
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<b>BACKGROUND PAPER:</b>	N/A
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**Covid-19 Discretionary Business Grant Programme  
Grant Award Framework**

	<b>Less than £10,000 Grant</b>	<b>£10,000 Grant</b>	<b>£25,000 Grant</b>
<b>Company Size</b>	Typically, micro-businesses (less than 10 employees; annual turnover less than £632,000)	Typically, small businesses (more than 10 but less than 50 employees; annual turnover more than £632,000 but less than £10.2m)	Typically, small businesses, with discretion to support medium sized businesses in exceptional circumstances
<b>Relatively High Property-related costs</b>	Typically, rateable value/rent/mortgage or other fixed property-related costs of less than £15,000 per year	Typically, rateable value/rent/mortgage or other fixed property-related costs of £15,001 - £51,000 per year	Typically, rateable value/rent/mortgage or other fixed property-related costs in excess of - £51,000, with local discretion to support in exceptional circumstances
<b>Impact of Covid-19</b>	<p>In the majority of cases, turnover has decreased by up to 20% as a direct result of Covid-19</p> <p>In the majority of cases, operations (such as the ability to open/trade online) affected by Covid-19 impacts / economic downturn, but not substantial or severe</p>	<p>In the majority of cases, turnover has decreased between 20-50% as a direct result of Covid-19</p> <p>In the majority of cases, operations (such as the ability to open/trade online) have been substantially affected by Covid-19. An example would be the temporary closure of the business as a result of Covid-19 impacts / economic downturn</p>	<p>In the majority of cases, turnover has decreased by more than 50% as a direct result of Covid-19</p> <p>In the majority of cases, operations (such as the ability to open/trade online) severely affected by Covid-19. An example would be the risk of full closure of the business as a result of Covid-19 impacts / economic downturn</p>
<b>Assessment of Strategic &amp; Economic Value</b>	<p>Consideration of the strategic value and importance of business and employment impacts, including economic value of business, high value jobs at risk, additional supply chain implications, local income circulation impacts.</p> <p>Implications of business and employment impacts on the delivery of the Council's growth strategy, Corporate Strategy and wider agreed strategies and plans with partners and stakeholders.</p>		





## **Covid-19 Discretionary Business Grant Programme**

### **Policy and Guidance - 27 May 2020**

#### **Introduction**

1. This policy and guidance sets out the qualifying national and local criteria and supporting evidence required for those intending to apply to the Council's *Covid-19 Discretionary Business Grants Programme*.
2. This programme is aligned with the Government's Local Authority Discretionary Grants Fund guidance issued on 13<sup>th</sup> May and updated on 23<sup>rd</sup> May 2020. The latest Guidance can be found [here](#).
3. This is an additional level of support to the Small Business Grant Fund (SBGF) and the Retail Hospitality and Leisure Grant Fund (RHLGF).
4. The Council's *Covid-19 Discretionary Business Grants Programme* is predominantly aimed at small businesses with relatively high fixed property-related costs, experiencing a significant fall in income due to Covid-19 impacts, and ineligible to apply for support from the SBGF or the RHLGF.

#### **Scope and Eligibility**

5. Small and micro-businesses are the primary focus of the Council's *Covid-19 Discretionary Business Grants Programme*. The guidance issued to the Council by the Government identifies the following businesses as priorities for funding:
  - i. Small and micro-businesses, as defined in Section 33, Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006;
  - ii. Businesses with relatively high fixed property-related costs;
  - iii. Businesses which can evidence they have experienced a significant fall in income due to the COVID-19 pandemic;
  - iv. Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000;
  - v. Small businesses in shared or other flexible workspaces, including mills and units in industrial or business parks which do not have their own Business Rates assessment;
  - vi. Regular market traders with fixed building costs, such as rent, who do not have their own Business Rates assessment;
  - vii. Bed & Breakfasts which pay Council Tax instead of Business Rates.
  - viii. Charity properties in receipt of charitable business rates relief which



would otherwise have been eligible for Small Business Rates Relief (including a rateable value of less than £15,000)

6. Given the importance and value of the manufacturing and production sector to the local economy, the Council is also extending the scope of this programme to include applications from small manufacturing and production businesses. The Government's guidance cites that it will be at the local authority's discretion as to which types of business are most relevant to their local economy.
7. A small business, as defined by the Companies Act 2006, must satisfy two or more of the following requirements in a year:
  - i. A turnover of not more than £10.2m;
  - ii. A balance sheet total of not more than £5.1m;
  - iii. A headcount of employees of less than 50.
8. A micro-business, as defined by the Companies Act 2006, must satisfy two or more of the following requirements in a year:
  - i. A turnover of not more than £632,000;
  - ii. A balance sheet total of not more than £316,000;
  - iii. A headcount of employees of not more than 10.
9. Eligible businesses applying to the Council's *Covid-19 Discretionary Business Grant Programme* must be able to evidence that the business was trading on the 11<sup>th</sup> March 2020.
10. This grant programme is for businesses that are not eligible for any other Covid-19 Government cash grants. These include but are not limited to the SBGF or the RHLGF as set out in 3 above.
11. Businesses who have applied to the Government's Covid-19 Job Retention and the Self-Employment Income Support Schemes are eligible to apply for this grant.
12. Companies that are in administration, insolvent or where a striking-off notice has been made are not eligible to apply for this grant.

### **The Council's Approach**

13. The Council expects local business demand for grant support from this programme to outstrip the funding made available by Government.
14. To help manage and assess the overall level of business demand for grant support, the Council intends to establish a 14 day window for applications.



15. ***The Council's Covid-19 Discretionary Business Support Programme will be open for applications via the Council's website from 9am on Monday, 1<sup>st</sup> June and close on midnight Sunday, 14<sup>th</sup> June.***
16. Grant applications must be made online via the [Council's website](#).
17. The Council expects to make grant payments from Friday, 19<sup>th</sup> June. Approved payments will be made to business accounts by BACS transfer.
18. A further call for applications will be announced by the Council if funds are still available and/or Government provides additional funding support for this programme.
19. The Council will not approve or make grant payment to a business that has already received a grant or partial grant passed on by a landlord under one of the schemes mentioned in 10 above.
20. Businesses that have not previously been able to apply for a grant in their own right as they do not have a separate rating assessment, can now apply to this programme if they meet the eligibility criteria set out in this guidance.
21. The Council is only able to award one of three financial values - £25,000, £10,000 or a sum less than £10,000. The maximum grant available is £25,000. This will only be awarded in exceptional circumstances. It is expected that most grant payments will be under £10,000.
22. The Council has full discretion in determining grant payment levels below £10,000. The Council's approach to setting grant payment levels below £10,000 will be finalised once the overall level of business demand is assessed during the application window.
23. Only in exceptional circumstances will consideration be given to grant funding requests out with the parameters set out in this guidance. The Council also reserves the right to vary the terms of the programme at any time, and without notice, should it be necessary to do so.

### **Evidence Requirements**

24. In order for the application to be considered, the Council will require businesses to evidence and declare that they meet the eligibility criteria and priorities set out in this guidance. Applicants will need to provide:
  - i. Evidence of property arrangements, including a signed lease or rental agreement or mortgage agreement.
  - ii. Evidence of actual property costs, including rent, Business Rates, mortgage and insurance payments. This should take



the form of business bank statements showing that payments have actually been made.

- iii. Evidence of a substantial loss in income due to Covid-19 impacts. This is likely to be in the form of the latest available annual accounts and/or tax return, plus bank statements covering the period 1<sup>st</sup> January 2020 to 31<sup>st</sup> May 2020.
- iv. Evidence of complying with the Government's definition of a small or micro-business.
- v. Confirmation that the business has not received any grant under the support measures referenced in 10 above.
- vi. Confirmation of State Aid compliance.

### **State Aid and Other Matters**

25. There is a requirement for all grants made under this programme to be State Aid compliant. For further information please review the Government's guidance, specifically pages 9 and 10.
26. Grant income received by a business is taxable therefore funding paid under the Local Authority Discretionary Grants Fund will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.
27. The Council and Government will not accept any deliberate manipulation or fraud. Any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.
28. The final part of the application form is the personal declaration. At the start of the application process, businesses who are applying for a discretionary grant will be required to declare that they have read and understood the Guidance document. The declaration will confirm that they agree to abide with other obligations, including those set out at 25 and 27 above.
29. The Council does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving grant payments under this programme.
30. Any grants awarded are discretionary and the Council's decision will be final.
31. Enquiries about this programme can be emailed to [businessgrowth@blackburn.gov.uk](mailto:businessgrowth@blackburn.gov.uk)

## EQUALITY IMPACT ASSESSMENT CHECKLIST

***This checklist is to be used when you are uncertain if your activity requires an EIA or not.***

An Equality Impact Assessment (EIA) is a tool for identifying the potential impact of the organisation's policies, services and functions on its residents and staff. EIAs should be actively looking for negative or adverse impacts of policies, services and functions on any of the nine protected characteristics.

The checklist below contains a number of questions/prompts to assist officers and service managers to assess whether or not the activity proposed requires an EIA. Supporting literature and useful questions are supplied within the [EIA Guidance](#) to assist managers and team leaders to complete all EIAs.

<b>Service area &amp; dept.</b>	Growth and Development	<b>Date the activity will be implemented</b>	01/06/2020
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<b>Brief description of activity</b>	Policy and guidance in support of the Council's Covid-19 Discretionary Business Grant Programme.
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Answers favouring doing an EIA	Checklist question	Answers favouring not doing an EIA
<input type="checkbox"/> Yes	Does this activity involve any of the following: - Commissioning / decommissioning a service - Budget changes - Change to existing Council policy/strategy	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes	Does the activity impact negatively on any of the protected characteristics as stated within the Equality Act (2010)?	<input checked="" type="checkbox"/> No
<input type="checkbox"/> No <input type="checkbox"/> Not sure	Is there a sufficient information / intelligence with regards to service uptake and customer profiles to understand the activity's implications?	<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> Yes <input type="checkbox"/> Not sure	<b>Does this activity:</b> Contribute towards unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act <i>(i.e. the activity creates or increases disadvantages suffered by people due to their protected characteristic)</i>	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes <input type="checkbox"/> Not sure	Reduce equality of opportunity between those who share a protected characteristic and those who do not <i>(i.e. the activity fail to meet the needs of people from protected groups where these are different from the needs of other people)</i>	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes <input type="checkbox"/> Not sure	Foster poor relations between people who share a protected characteristic and those who do not <i>(i.e. the function prevents people from protected groups to participate in public life or in other activities where their participation is disproportionately low)</i>	<input checked="" type="checkbox"/> No
<b>FOR =0</b>	<b>TOTAL</b>	<b>AGAINST =6</b>

**Will you now be completing an EIA?**

Yes

No

The EIA toolkit can be found [here](#)

<b>Assessment Lead Signature</b>	Martin Kelly
<b>Checked by departmental E&amp;D Lead</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Gwen Kinloch
<b>Date</b>	27/05/2020