



EXECUTIVE MEMBER DECISION

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

LEAD OFFICERS: Director of Growth and Development
Director of Finance and Customer Services

DATE: 27 May 2020

PORTFOLIO/S AFFECTED: Growth and Development Finance and Governance

WARD/S AFFECTED: All

SUBJECT: Covid-19 Discretionary Business Grant Programme

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 13th May and updated on 23rd 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.

VERSION:	1
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CONTACT OFFICER:	Martin Kelly
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DATE:	27 May 2020
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BACKGROUND PAPER:	N/A
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