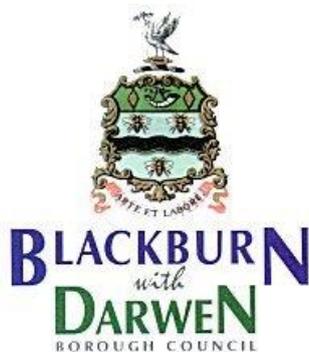


EXECUTIVE MEMBER DECISION



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:	11 November 2020

PORTFOLIO/S AFFECTED:	Growth and Development	Finance and Governance
WARD/S AFFECTED:	All	

SUBJECT: Second COVID Discretionary Business Grant Programme

1. EXECUTIVE SUMMARY

Members will recall that the Council's First COVID Discretionary Business Grant Programme was agreed in May 2020 and operated until September. The Programme was consistent with then Government guidance with agreed local discretion in certain policy areas.

A further national lockdown was agreed by Government with effect from 5 November. The purpose of this report is to seek approval for the proposed Council policy and guidance supporting a Second COVID Discretionary Business Grant Programme that will operate within new national guidance. A level of local discretion will once again be applied in the management and design of the Council's Second Programme.

2. RECOMMENDATIONS

That the Executive Members:

1. Approve the policy and guidance in support of the Council's Second COVID Discretionary Business Grants Programme, as set out in this report and Annex 1 and 2;
2. Delegate responsibility to the Director of Growth and Development, in conjunction with the Director of Finance, to vary levels of grant payments, by exception subject to business case, and given the number of applications expected and the limited funding support made available by Government; and
3. Agree a report detailing the grants paid under the Second Programme will be presented to a future meeting of the Executive Board, once the Programme has completed.

3. BACKGROUND

Members will recall that the Council's First COVID Discretionary Business Grant Programme was agreed in May 2020 and operated until September. The Programme was consistent with then Government guidance with agreed local discretion in certain policy areas. This Programme complemented a much larger mandatory grants and Business Rates relief programme aimed at the hospitality and retail sector.

A second national lockdown was agreed by Government with effect from 5 November. A number of national economic support measures have been announced, including a second local discretionary business grant.

This report seeks approval for the proposed Council policy and guidance supporting a Second COVID Discretionary Business Grant Programme that will operate within new national guidance. A level of local discretion will once again be applied in the management and design of the Council's Second Programme, while remaining fully aligned with the Government's Additional Restrictions Grant guidance for local authorities – the key guidance for this Programme.

The Government has determined the Council will receive a discretionary funding allocation of £2.99M to deliver a Second Programme. This funding will need to be deployed by March 2022, though given the on-going scale and duration of COVID local economy impacts this funding support is unlikely to last until March 2021.

The Second Programme will operate alongside the Government's mandatory Local Restrictions Support Grant (Closed) Addendum. This grant is aimed at businesses closed from 5 November with a Business Rates assessment and managed by Councils applying fixed criteria and payments set by national guidance.

It should be noted the Council is already providing a level of mandatory financial support to a relatively small number of local businesses closed from 17 November – 4 December by Tier 3 national restrictions, consistent with fixed criteria and payments set by Local Restrictions Support Grant (Closed) guidance.

At the time of writing this report, details were still pending regarding a Local Restrictions Support Grant (Open) to enable Councils to provide a level of financial support to open businesses severely impacted by COVID since 1 August. Though based on an assessment of the number of closed businesses in a local area, Councils can use their discretion to allocate this funding support. Subject to further Government detail, it is proposed that this funding be prioritised to support both closed and open businesses that have been severely impacted during the period 1 August – 16 October.

Government has also announced the Local Restrictions Grant (Sector) aimed at nightclubs that have been closed since 23 March but with monthly financial support only available from 1 November. BWD has one nightclub in scope.

BWD has been impacted harder and for longer by COVID. The Government's latest local business support measures have a level of retrospection but they fail to reflect the scale of economic impact and BWD's experience in enduring national restrictions for longer than most places.

The Council is working hard to provide a degree of clarity and certainty to a complex picture. The Council's webpage and communications will aim to support local businesses in navigating their way through the financial support available from the Council.

However, the primary focus of this report is to set out the key criteria and supporting evidence required for those intending to apply to the Council's Second COVID Discretionary Business Grant Programme. The Council's proposed policy and grant framework are set out in detail in Annexes 1 and 2, respectively, which are enclosed. Key highlights include the following:

- A primary focus on closed businesses without a Business Rate assessment, therefore unable to access the mandatory grant programme;

- Support for open businesses severely impacted by businesses / supply chains required to close by Government;
- Support for open businesses of local importance with no dependency on closed businesses but severely impacted by the economic downturn;
- By exception, reserve discretion to the Council to vary and/or provide additional payments to severely impacted closed or open business, subject to business case;
- Grant payments will primarily be determined by the level of fixed property costs. The maximum grant available is £3,000 per month for closed businesses and £2,100 for open but severely impacted businesses, values consistent with Government guidance on on-going and retrospective grant payments;
- Given the likely demand for discretionary grant support the Council will operate an initial 14-day application window to allow eligible local businesses to submit their application forms. However, further calls for applications will be issued, subject to demand and available funding;
- Council officers will aim to ensure the application process is as streamlined as possible with compliance and anti-fraud requirements consistent with Council standards and Government guidance; and
- We will also work with eligible closed and severely impacted businesses supported by the Council's first discretionary grant programme to fast track payments and minimise their administrative burden.

Finally, it is worth noting that unlike the first discretionary grants programme, any unallocated funding can be retained by the Council and used to support other economic interventions.

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 economic downturn, 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 respond to local business needs but the scale of resource available is not commensurate with level of likely demand.

6. FINANCIAL IMPLICATIONS

There are no direct financial implications. The Council will operate and deliver the Programme within the agreed funding allocation set by Government, which is currently £2.99M. Unlike the previous discretionary grant programme, any unallocated funding can be retained by the Council to support other economic interventions.

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 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 & Development and Finance teams has been (and will be) focused on the management and delivery of previous and proposed COVID business grant programmes.

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 approach 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:	11 November 2020
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BACKGROUND PAPER:	N/A
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