

EXECUTIVE DECISION RECORD

REF No 327.21

A1 Service Area	Revenues, Benefits & Customer Contacts
A2 Title	Additional Restrictions Grant scheme review July 2021
A3 Decision Taken By	Deputy Leader/ Chief Officer
A4 Chief Officer	Please print name: Sal Khan Please sign name: Approval by email 140721
A5 Leader / Deputy Leader	Please print name: Cllr R Faulkner Please sign name: Approval by email 150721
A6 Date of Decision	15 th July 2021

Confidentiality

A7 Is this Decision confidential by containing exempt information as described in Schedule 12A of the Local Government Act 1972?	No
A7.1 If yes, please state relevant paragraph from Schedule 12A LGA 1972.	NA

Scrutiny

A8 Which Scrutiny Committee should this decision be submitted to? *(Please tick as appropriate)* ✓

Scrutiny (Audit & Value for Money Council Services) Committee

Scrutiny (Community Regeneration, Environment and Health and Well Being) Committee ✓

B1 What is the Decision?	To approve the recommendation shown in paragraph B2, and following a review of the applications for the Council's Additional Restrictions Grant scheme received as at July 2021.
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B2 What are the reasons for the Decision?

The Government announced the Additional Restrictions Grant (ARG) scheme on 31 October 2020 to enable Local Authorities to provide support to businesses severely impacted by the national and local pandemic restrictions.

The Council's scheme was initially implemented in November 2020 and since then has undergone reviews in February 2021 and April 2021 with approved changes applied accordingly.

The current version of the Council's scheme has three elements, each with differing criteria as shown below:

Severe Impact (main element, in place since November 2020)

- For businesses with or without a business rates Rateable Value (RV) that are not mandated to close but who remain open and are severely impacted by the Govt restrictions in place.
- Applicants must demonstrate a reduction in turnover of at least 20% for the year ending 21 March 2021 when compared to the previous financial year ending 31 March 2020.
- Grant payments dependant on RV:
 - No RV / RV < £15k - £10,000
 - RV £15k-£51k - £15,000
 - RV > £51k - £20,000

New Businesses (new element brought in June 2021)

- For new businesses set up since 01/04/2019 that had a business plan accepted by their bank/financial institution for financial support.
- Grant payments dependant on RV:
 - No RV - £5,000
 - RV - £10,000

Supporting Other Businesses (new element with one application window from 1-15 June 2021)

- For businesses that can show they were trading on or before 01/04/2021.
- The business must not be entitled to a Restart Grant.
- The business must not already have received an Additional Restrictions Grant.
- One off grant payment - £5,000

Grant payments to date

The table below shows the number and amount of successful applications for the Council's scheme. Should the Council have spent all of its ARG allocated funding (£3.4m) by 31

July 2021, a further top up funding can be accessed to provide further support to local businesses. As at 08/07/2021 the following grant payments have been made:

Element	No of successful applications	Payments made
Allocated Funding	n/a	£3,458,861
Severe Impact	184	£1,935,000
New Businesses	0 (no applications received)	£0
Supporting Other Businesses	9	£45,000
Payment in lieu of LRSG	6	£52,633.05
Totals	199	£2,032,633.06
Unspent funding		£1,426,227.95

The Council has recently approved to fund part of the County Council's Business Support schemes the amount of £57,000 as well as extending the scope of existing ESBC business support schemes by £15,000 from the Additional Restrictions Grant fund. There are 14 applications outstanding where we have requested further information. It is evident that even with the £57k provided to Staffs CC and if all 14 outstanding applications were successful for at least a £10,000 grant under the 'Severe' Impact element, the Council's full allocation would still not be spent by 31 July.

Five options were put forward following the review:

- 1) Do nothing was not the preferred way forward as there was still a large amount of unspent funding, so it was agreed to discount this option.
- 2) It has been agreed that all applications currently declined under the 'Severe Impact' element will be reviewed. There are 107 applications rejected so far where the applicants have not provided sufficient information to meet all of the criteria under this element. However, from the information they have provided with their application it is likely they would meet the criteria under the 'Supporting Other Businesses' element.
- 3) It has been agreed that where the applications declined under the 'Severe Impact' element meet the criteria under the 'Supporting Other Business'

	<p>element, those applications will be eligible for a grant under the 'Supporting Other Business' element.</p> <p>4) It has been agreed to increase the level of grant under the 'Supporting Other Business' element to £10,000 per successful application.</p> <p>5) It has been agreed to shut down the application form for 'Severe Impact', leaving the 'New Business' and 'Supporting Other Business' application forms open with immediate effect. This will make it simpler for businesses to apply for a grant and should ensure current funding is fully utilised.</p> <p><u>Recommendation</u></p> <ul style="list-style-type: none"> • Approve Options 2 to 5, as detailed above.
B3 What are the contributions to Corporate Priorities?	As the Council has a finite amount of funding available to support businesses within the scope of these schemes, it contributes to the priority 'Community Regeneration'.
B4 What are the Human Rights considerations?	There are no Human Rights issues arising from this decision.

Financial Implications

<p>B5 What are the financial implications?</p>	<p>The main financial issues arising from this decision are as follows:</p> <p>There is a finite amount of funding available to the Council for the ARG scheme: £3,458,861. Should the Council spend its allocation before 31 July 2021, the Govt will make further top-up funding available to the Council to support local businesses under the ARG scheme, subject to the Council being able to demonstrate that all existing funding, including any transferred to a third party has been defrayed in order to qualify for the top-up.</p> <p>Under this latest review, a further £1,312,000 could be utilised from the current unspent allocated funding:</p> <ul style="list-style-type: none"> • Successful applications under the ‘Supporting Other Businesses’ element will be entitled to a grant of £10,000. Therefore, the 9 payments made so far will receive an extra £5,000 to bring their grant payments to the new level, spending £45,000. • Should the 14 applications awaiting further information be successful, that will spend a further £140,000. • Should the declined applications under the ‘Severe Impact’ element meet the criteria under the ‘Supporting Other Businesses’ element and be approved for payment, those successful applications will spend a further £1,070,000. • The Council has recently approved using £72,000 from its ARG allocation to fund part of Staffordshire County Council’s Supporting Businesses Fund. <p>This leads to a total potential spend of £3,359,633.05, leaving an unspent amount of £99,227.95 which could be managed from any new applications opened to the ‘New Businesses’ or ‘Supporting Other Businesses’ elements proposed for re-opening with immediate effect.</p>
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Revenue			
Element	No of successful applications	Payments made	Financial Impact
Severe Impact	184	£1,935,000	No change
New Businesses	0 (no applications received)	£0	No change (unless

Revenue			
			applications are received)
Supporting Other Businesses	9	£45,000	£45,000 (increase level of grant to £10k)
Payment in lieu of LRSG	6	£52,633.05	No change
Applications awaiting further information	14	£0	£140,000
Declined ARG applications that meet the SoB element criteria	107	£0	£1,070,000
SCC Supporting Businesses Fund	n/a	£0	£57,000
Extension of scope of ESBC Business Support Schemes	n/a	£0	£15,000
Totals	199	£2,032,633.05	£1,327,000.00
Total potential spend			£3,359,633.05
Unspent funding			£99,227.95

The finance section has been approved by the following member of the Financial Management Unit:	Please print name: Linda Durham Please sign name: Approval by email 140721
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Policy Framework

B6 Is the Decision wholly in accordance with the Council's policy framework?	Yes
B6.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B6.2 Has it got the appropriate approvals under those provisions?	NA
B7 Is the Decision wholly in accordance with the Council's budget?	Yes
B7.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B7.2 Has it got the appropriate approvals under those provisions?	NA

Equalities Implications

B8 What are the Equalities implications:
B8.1 Positive (Opportunities/Benefits): The Council is able to support more businesses in East Staffordshire should it be able to spend its current funding allocation by 31 July 2021.
B8.2 Negative (Threats): The funding is finite and limited numbers of businesses will have a successful application.
B8.3 The subject of this decision is a policy, strategy, function or service that is new or being revised. An equality impact assessment is being completed.
B8.4 [The equality impact assessment identified the following actions to be carried out:] NA

Risk Assessment

B9 What are the Risk Assessment implications:
B9.1 Positive (Opportunities/Benefits): The impact to business ratepayers and the Council is low, as the scheme is fully funded by the Government. Access to further funding will support more local businesses.
B9.2 Negative (Threats): With any grants scheme there is the potential risk of fraud. The Council has put in place a robust range of processes and procedures in order to minimise the risk of fraud.
B9. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

Legal Considerations

B10 What are the Legal Considerations:
B10.1 The main legal issues arising from this decision are as follows: Section 31 Local Government Act 2003 Part 2A Public Health (Control of Disease) Act 1984
This section has been approved by the following member of the Legal Team Please print name: Linda Durham
Please sign name: Approval by email 140721

Sustainability Implications

B11 What are the Sustainability implications:
B11.1 The proposal would not result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures). The positive/negative impacts are set out below (please refer to guidance notes).
B11.2 Positive (Opportunities/Benefits): NA
B11.3 Negative (Threats): NA

Health & Safety Implications

B12 What are the Health & Safety implications:
B12.1 A Risk Assessment has not been carried out and entered into Safety Media for all significant hazards and risks because there are no significant hazards or risks arising from this decision.
B12.2 Any financial implications to mitigate against these hazards and risks are considered above.
B12.3 [Control measures and an action plan have been identified for any significant hazards and risks identified in the risk assessment. The positive/negative impacts are set out below] NA
B12.3.1 Positive (Benefits) NA
B12.3.2 Negative (Threats) NA

Key Decision

B13 Is this a Key Decision? No

Note: A Key Executive Decision is one where:

1. **REVENUE** – Any contract or proposal with an annual payment or saving of more than £100,000
2. **CAPITAL** – Any capital project with a value in excess of £150,000
3. A decision which significantly affects communities living or working in an area comprising two or more wards.

B13.1 If this is a Key Decision, is this an urgent decision such that a delay caused by use of the Call-in Procedure would <u>seriously</u> prejudice the public interest?	NA
B13.2 If yes, has the Mayor or in his/her absence the Deputy Mayor or in his/her absence the Chair of the relevant Scrutiny Committee agreed that the decision will be exempt from Call-in?	NA

NOTE: If this decision is subject to the Call-in Procedure it will come into force, and may then be implemented, on the expiry of 3 working days after publication – unless 10 Members of the Council call in the decision.

Please send the original signed document to andrea.davies@eaststaffsbc.gov.uk