

Name of meeting: ECONOMY AND NEIGHBOURHOODS SCRUTINY PANEL

Date: 21 January 2021

Title of report: COVID-19 business grants update

Purpose of report:

To update the Panel on the roll out of Government COVID-19 business grants being administered by the Council and seek the Panel's views on the future priorities for the discretionary Additional Restrictions Grant scheme.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?	No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name	David Shepherd 13 January 2021
Is it also signed off by the Service Director for Finance?	n/a
Is it also signed off by the Service Director for Legal Governance and Commissioning?	n/a
Cabinet member portfolio	Cllr Graham Turner

Electoral wards affected: All

Ward councillors consulted: N/a

Public or private: Public

Has GDPR been considered? Yes, n/a

1. Summary

1.1 This report

- updates the Panel on the roll out of Government COVID-19 business grants being administered by the Council
- seeks the Panel's views on the future priorities for the discretionary Additional Restrictions Grant scheme.

Officers will give a presentation with updated information on the volume and value of business grant payments at the meeting.

2. Information required to take a decision

- 2.1 In November 2020, the Government established a series of grant schemes to provide support for businesses required to close as a result of the second national lockdown, which commenced on 5th November, or otherwise significantly impacted by local and then Tier 2 restrictions in place from 5th August. The grant schemes are as follows:
- *Local Restrictions Support Grant (LRSB) (Closed)* – this applies to all businesses mandated to close by Government and who are registered to pay business rates and has been in operation during the November lockdown, the move to Tier 3 in December 2020 and the current lockdown; grants range from £1,334 to £3,000 per 28 day period, dependent on rateable value, and are paid on an ongoing basis
 - *LRSB (Sector)* – this grant scheme was specifically to cover nightclubs and sexual entertainment venues that Government required to close in March and have never re-opened; the grant covered a period in November but has now been subsumed within the LRSB (Closed) scheme
 - *LRSB (Open)* – this scheme provided grants to hospitality, accommodation and leisure businesses who were significantly impacted by local and then Tier 2 restrictions in place from 5 August-5th November 2020 and subsequently for businesses that were impacted but remained open during the following period Kirklees was in Tier 3; the scheme
 - *Christmas Support Payment for wet-led pubs*; this is a one-off payment for pubs that predominantly serve alcohol rather than provide food and were severely impacted by COVID-19 restrictions, with eligible businesses receiving a grant of £1,000
 - *Additional Restrictions Grant (ARG)* – this is a discretionary grant scheme that was approved by Cabinet in November 2020 and aims to address gaps in the above schemes, including non-rate paying businesses required to close; businesses forming part of the retail, hospitality and leisure supply chains that are severely impacted by the virus; and self-employed residents or other home-based businesses that have not been able to secure Government financial support.
- 2.2 In addition, on 5th January 2021 in response to the return to national lockdown the Government announced a one-off additional payment of up to £9,000 for rate-paying businesses that have been required to close, and allocated further funding for the ARG scheme to support businesses through the current lockdown period.
- 2.3 As of 12th January 2021 the Council had received 2,938 applications for support across all of the grant schemes and made payments totalling £10.3m. Updated information will be presented to the Panel at the meeting.
- 2.4 The Additional Restrictions Grant is the most flexible grant scheme currently available to the Council to support business resilience and recovery. The funding is available to the Council for both the 2020/21 and 2021/22 financial years. The first round was launched in early December 2020 and over 400 applications have been received. A further round of applications will commence by early February 2021 and the views of the Panel on future priorities for the fund will be sought.

3. Implications for the Council

Working with people

- 3.3 The proposals will support the Council's efforts to work together with people and communities to find shared solutions. The Council has drawn on learning from the implementation of the various Government grant support schemes and this will inform delivery of the ARG and other schemes moving forward. The operation of the scheme will be kept under regular review in response to business feedback.

Working with Partners

- 3.4 The Council will continue to work with key stakeholders including WYCA/Leeds City Region LEP, the Mid Yorkshire Chamber of Commerce and Industry and the Federation of Small Businesses to develop the grant programmes.

Place Based Working

- 3.5 The schemes are supporting those businesses and charities that have been unable to secure grant support to date, including those in some of the area's most deprived communities.

Climate Change and Air Quality

- 3.6 The grant programme is supporting those businesses/charities with ongoing costs that have been most affected by COVID-19. Whilst the implementation of the grant programmes is unlikely to have a significant, direct impact on climate change, the Council will ensure that the climate emergency and opportunities for low carbon growth are central to the recovery planning process.

Improving Outcomes for Children

- 3.7 The grant programme is supporting charities and other VCS organisations working with children and young people.

Other (legal/financial/human resources)

- 3.8 Grants are being processed by members of the Business and Skills, Business Rates and wider finance teams. The grant schemes are being operated in accord with extant State Aid regulations and the Council is required to produce regular monitoring reports for BEIS.

4. Consultees and their opinions

- 4.1 As set out in section 3.4, a number of key stakeholders continue to be engaged on the delivery of the grant programme.

5. Officer recommendations and reasons

- 5.1 The report:

- updates the Panel on the roll out of Government COVID-19 business grants being administered by the Council
- seeks the Panel's views on the future priorities for the discretionary Additional Restrictions Grant scheme.

6. Cabinet Portfolio Holder's recommendations

N/a

7. Contact officer

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8. Background Papers and History of Decisions

N/a

9. Service Director responsible

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