

Agenda No

AGENDA MANAGEMENT SHEET

Report Title: COVID-19 Additional Restrictions Grant policy

Name of Committee: Emergency Powers

Date of Meeting: N/A

Report Director: Head of Growth and Investment

Portfolio: Head of Growth and Investment

Ward Relevance: All

Prior Consultation: Executive Director
Head of Growth and Investment
Chief Financial Officer
Legal Democratic and Electoral Services
Manager / Monitoring Officer
Financial Services Manager
Corporate Assurance Manager
Revenues Manager
Economic Development Manager

Contact Officer: David Moore Economic Development Manager
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Public or Private: Public

Report Subject to Call-In: No

Report En-Bloc: No

Forward Plan: No

Corporate Priorities: This report relates to the following priority(ies):

(CR) Corporate Resources To provide excellent, value for money services and sustainable growth

(CH) Communities and Homes Achieve financial self-sufficiency by 2020

(EPR) Environment and Public Realm Enable our residents to live healthy, independent lives

(GI) Growth and Investment Optimise income and identify new revenue opportunities (CR)

Prioritise use of resources to meet changing customer needs and demands (CR)

Ensure that the council works efficiently and effectively (CR)

Ensure residents have a home that works for them and is affordable (CH)

- Deliver digitally-enabled services that residents can access (CH)
- Understand our communities and enable people to take an active part in them (CH)
- Enhance our local, open spaces to make them places where people want to be (EPR)
- Continue to improve the efficiency of our waste and recycling services (EPR)
- Protect the public (EPR)
- Promote sustainable growth and economic prosperity (GI)
- Promote and grow Rugby's visitor economy with our partners (GI)
- Encourage healthy and active lifestyles to improve wellbeing within the borough (GI)
- This report does not specifically relate to any Council priorities but

Statutory/Policy Background:

Section 1 of the Localism Act 2011
Section 31 of the Local Government Act 2003

Summary:

To approve a policy for the granting of the Additional Restrictions Grant to businesses.

Financial Implications:

This will be funded by the allocation of grant funding from the Government. Rugby Borough Council has been allocated £2,178,700.

There are currently no expectations of further grant funding.

Risk Management Implications:

There are several risks related to the implementation of this scheme including but not limited to:

- 1) Demand for discretionary grants could be higher than the funding available, leading to applicants being denied funding or additional costs to the Council.
- 2) Grants could be fraudulently obtained leading to loss of money from the public purse.
- 3) Grant applications could be determined, or paid, inconsistently or incorrectly based on the scheme criteria, leading to reputational damage and/ or complaints.

Appropriate controls have been established to manage each of these risks.

Environmental Implications:	None
Legal Implications:	<p>The Council is required to have a policy for granting the grant payments as detailed within this report. This will constitute state aid and all payments will need to adhere with present Brexit and post Brexit requirements.</p> <p>This decision is being made under emergency constitutional powers. This is due to the required urgency in making the funding available to businesses. This is in consultation with Group Leaders and the Chairman of Overview & Scrutiny.</p>
Equality and Diversity:	The Council has duly considered its equality duties as set out within the Equality Act 2010. An Equality Impact Assessment is attached at Appendix 3
Options:	<ol style="list-style-type: none"> 1. Rugby Borough Council Additional Restrictions Grant Policy is approved. 2. An amended policy is approved
Recommendation:	<ol style="list-style-type: none"> 1) The Executive Director under emergency delegated authority approves the adoption of the Rugby Borough Council Discretionary Grant Policy. 2) Delegated authority is given to the Head of Growth & Investment to implement, amend and administer a scheme in accordance with the principles of the attached policy. 3) Update the policy to reflect future restrictions and to ensure the smooth administration of grants 4) Vary the level of grants awarded to individual businesses and eligibility requirements to ensure the fair distribution of grants
Reasons for Recommendation:	<ol style="list-style-type: none"> 1) Adoption of a policy to enable the Additional Restrictions Grant to be paid to businesses as part of the Council's response to COVID-19 2) To enable the efficient administration of the scheme and minimising delay and contact with businesses. 3) To administer the scheme meeting the needs of businesses whilst securing the scheme from fraud and abuse.

Please select - *Date of Meeting*

Additional Restrictions Grant policy

Public Report of the Head of Growth & Investment

Recommendations

- 1) The Executive Director under emergency delegated authority approves the adoption of the Rugby Borough Council Discretionary Grant Policy.
- 2) Delegated authority is given to the Head of Growth & Investment to implement, amend and administer a scheme in accordance with the principles of the attached policy.
- 3) Update the policy to reflect future restrictions and to ensure the smooth administration of grants
- 4) Vary the level of grants awarded to individual businesses and eligibility requirements to ensure the fair distribution of grants

1. Background

- 1.1 In response to COVID-19 and a second period of lockdown, the Government announced an Additional Restrictions Grant policy on 31 October 2020. Rugby Borough Council received £2,178,700 to distribute to businesses that were not eligible for the Local Restrictions Support Grant (Closed) ("LRSG Closed" scheme). The guidance is attached at appendix 4.
- 1.2 The LRSG grants were for £1,334, £2,000 or £3,000 dependant on Rateable Value and could only be claimed by businesses that were required to be closed.
- 1.3 The award of funding meant that Rugby Borough Council has been given £2,178,700 to distribute as part of the additional funding. As the grants are discretionary, Rugby Borough Council will need to have a Criteria in order for businesses to apply for the funding. The criteria has been designed alongside the other Warwickshire Districts and Coventry City Council to attempt to have consistency across the local area. In addition to other Warwickshire Districts, the Federation of Small Businesses were involved in the suggested criteria.

2. Aim of the Criteria

- 2.1 The proposed criteria is attached at Appendix 1 and identifies businesses that the Government wishes to help and other business that could be helped in the local area determined by economic need. The priority areas are:

- a business premises forced to close which are not liable to pay business rates and are not covered by the Local Restrictions Support Grant (Closed) scheme
- a business that supplies retail, leisure, events, personal care, accommodation, or entertainment venues which could not operate or has been severely affected in its ability to operate during the restrictions period including for example:
 - businesses supplying restaurants, pubs or offices
 - businesses supplying those retail stores forced to close
 - a marquee or gazebo hire business
 - a printing business supplying event promotional material
- operate in the cultural and creative sector
- home-based businesses, self-employed and freelancers
- market traders resident in Rugby Borough who operate a stall regularly in Rugby Market

3 The Additional Restricted Grant scheme

3.1 The grants available will be between £500 and £3,000. An on-line form will be available for businesses to complete in order for Officers to carry out an assessment against the criteria. A version of the contents of the online form is attached at appendix 2. The guidance makes it clear that Local Authorities are expected to start making these grants straight away and therefore there is a need for an urgent decision.

4 Financial Implications

4.1 The award of grants under this scheme will constitute state aid. State aid arises pursuant to Article 107 of Treaty of Functioning of the European Union, where there is a grant of aid which is capable of distorting competition and affecting trade between EU states.

4.2 The principle of state aid is applicable to this matter as clearly the awarding of grants by the Council qualifies as the granting of aid. Businesses will be made aware that this is the case through the application form and process.

5 Equality Impact Assessment

An Equality Impact Assessment on this policy was undertaken on 7 December 2020. This assessment has been duly considered in the formulation of the attached policy and there are no direct implications that need to be referred to within the body of this report.

6 Summary

The impacts of Covid-19 are wide-spread, significant and yet unknown in quantifiable terms or extent on the UK economy. The grants for eligible businesses to support them through the immediate crisis have been essential to support the ongoing costs and in some cases the survival of a number of businesses. It is important therefore that the Council continues to deliver the grants to businesses as quickly and efficiently as possible with the awarding

of this discretionary funding for those businesses who have not been eligible to apply for the first schemes.

Name of Meeting:

Date of Meeting: Please select Date of Meeting

Subject Matter: Additional Restrictions Grant Policy under s1 of the Localism Act 2011

Originating Department:

DO ANY BACKGROUND PAPERS APPLY YES NO

LIST OF BACKGROUND PAPERS

Doc No	Title of Document and Hyperlink

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

Exempt information is contained in the following documents:

Doc No	Relevant Paragraph of Schedule 12A