

Report to Cabinet

Monday 24 May 2021

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| Subject: | Sandwell Taxi Drivers Grant Support Scheme |
| Cabinet Member: | Cabinet Member for Inclusive Growth Danny Millard |
| Director: | Interim Director of Regeneration and Growth, Tammy Stokes |
| Key Decision: | Yes |
| Contact Officer: | Business Growth Team Leader, Gareth Owens Gareth_owens@sandwell.gov.uk |

1 Recommendations





- 1.1 That Cabinet authorises the Interim Director of Regeneration and Growth to deliver the preferred option for Taxi Drivers Grant Support Scheme.
- 1.2 That up to £1.1m of funding is allocated from the Additional Restrictions Grant and Covid-19 support funding to deliver the preferred option.
- 1.2 That Cabinet approve an exemption to current ARG policy to enable the administration of the Taxi Driver Grant Support Scheme to Taxi Drivers that do not have a Business Bank Account.

2 Reasons for Recommendations

- 2.1 The Taxi Driver Grant scheme requires a departure from the approved ARG Policy (see Appendix 1) which states that all grants are to be paid by BACS transfer to Business Bank Accounts. However, this sector of the economy does not necessarily operate using Business Bank Accounts, and the scheme will be more inclusive and accessible if grant can be administered to personal accounts.



3 How does this deliver objectives of the Corporate Plan?

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|  | The children and young people who have a parent working as a taxi driver will benefit from extra family income. |
|  | People who are self-employed in Sandwell will be helped to live better and empowered with financial support |
|  | Supporting people on lower incomes with grants helps provide stronger more resilient communities |
|  | A stronger and more inclusive economy is created by helping self-employed workers with support during a pandemic |

4 Context and Key Issues

- 4.1 Sandwell Council’s Business Growth team has already administered over £6 million of Government discretionary funding to small and micro businesses through Additional Restrictions Grants. However, certain sectors of the economy such as self-employed taxi drivers have lobbied for a specific grant offer to be made available for them through a targeted grant scheme.
- 4.2 Neighbouring councils - Birmingham, Wolverhampton, Walsall, Dudley and Solihull are currently administering taxi driver grant schemes, paying resident taxi-drivers under varying criteria.
- 4.3 There is currently £1.8m remaining within the ARG budget, and it is proposed that circa £700,000 is allocated to fund the Sandwell taxi driver grant support scheme. The remainder being used for additional business support activity. It is also proposed that circa £400,000 of Covid-19 support funding is used, thereby providing an overall budget of £1.1m for the taxi driver support scheme.
- 4.4 The proposed Taxi Driver Grant Support Scheme would enable any taxi driver that lives in Sandwell to apply for a one-off grant payment of £1000. It should be noted that based on a £1.1m funding allocation to this scheme, 1100 taxi drives could be supported. The number of taxi-drivers living in Sandwell is unknown and therefore the allocated funding will need to be issued on a first come first served basis.



- 4.5 The scheme will require applicants to complete an application via the grant approval website. Applicants will need to make a declaration that they have not received grant support from elsewhere, if they are self-employed, provide evidence that they are Sandwell residents, and provide relevant identification. Applicants must also demonstrate that they are licenced taxi drivers either in Sandwell or with another local authority. Necessary due diligence checks will be undertaken on the information submitted to limit fraudulent applications.
- 4.6 Current ARG policy is that grants are paid only to those who hold Business Bank Accounts, however we are aware that some self-employed drivers do not operate using business bank accounts, therefore an exemption to this element of the policy is sought.
- 4.7 Payments will be made into the authorised bank account of the taxi driver. The following licence types have been proposed in order to be eligible for the grant: Private Hire Operators, Private Hire Drivers, Dual license holders, and Hackney Carriage drivers.
- 4.8 If approved the scheme can be opened and launched online via the grant approval website 'Ascendant' which is being used by officers to administer current grants.
- 4.9 Additional resources will be required to support the administration of the grant. Three temporary staff will be required, supported by existing ARG administrators. The grant will be open for a set time period, initially two weeks from 24th May 2021 closing on the 7th of June 2021. If the 1100 applicant cap is not reached, the grant application process will re-open for a further two weeks until the cap is reached, and the application process will be closed.

5 Alternative Options

- 5.1 There are two alternative options for consideration. The first being that only taxi drivers who are living and licenced in Sandwell are eligible for the scheme. This would support approximately 786 resident licensees. This model is very similar to that offered by Birmingham City Council and Wolverhampton City Council. However, this would not support any Sandwell resident taxi drivers who are licenced with other local authorities.



5.2 The second alternative option is that all taxi drivers licenced in Sandwell regardless of whether they live in Sandwell would be eligible for the scheme. It was estimated that this would support around 1400 taxi drivers around half of which would live in Sandwell. However, this option would exclude Sandwell residents that are licenced with other local authorities.

6 Implications

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| Resources: | The financing is resourced by external government funding which would come from the Additional Restrictions Grant and also from the council's Covid-19 support budget. Three temporary staff will be required funded via the ARG, supported by existing ARG administrators. |
| Legal and Governance: | Like all external funding this grant is subject to audit and monitoring and reporting delivery to government. |
| Risk: | Risk implications are deemed to be low. However, the following should be noted. The preferred option recommended in this report requires support from neighbouring authorities to check the validity of applications as necessary to ensure due diligence (this is in relation to validating taxi-driver licences within other local authority areas). The allocated amount (£1.1m) may not be sufficient to support all taxi-drivers living in Sandwell as the number of taxi drivers living in Sandwell is unknown. |
| Equality: | Implications for equality would be positive in terms of self-employed people, gig economy, and sometimes lower paid workers benefitting somewhat. It is also likely to support BAME communities who make up a higher proportion of taxi drivers than average. |
| Health and Wellbeing: | Implications for on health and wellbeing should be positive given that is additional funding going to fund business activity during a pandemic |
| Social Value | The preferred option ensures 100% of the funding goes to Sandwell residents and is more likely to be retained within the local economy. |

7. Appendices

Appendix 1 Sandwell Council ARG Policy

