


## REPORT TO EMERGENCY COMMITTEE

24 November 2020

<b>Subject:</b>	<b>Local Restriction Support Grant (Open) Scheme</b>
<b>Director:</b>	<b>Chief Executive- David Stevens</b>
<b>Contribution towards Vision 2030:</b>	
<b>Contact Officer(s):</b>	Sue Knowles

### DECISION RECOMMENDATIONS

That Emergency Committee;

1. Agree for Sandwell to operate the Local Restrictions Support Grant (Open) in accordance with the guidance provided by the Department for Business, Energy and Industrial Strategy (BEIS) and use the funding provided to only support businesses in the hospitality, hotel, bed & breakfast and leisure industries that are still open but severely impacted by Tier 2 & Tier 3 restrictions.
  
2. Agree for Sandwell to make grant payments in accordance with the amounts suggested in the guidance provided by Department for Business, Energy and Industrial Strategy.

#### 1 **PURPOSE OF THE REPORT**

- 1.1 To agree Sandwell's application of the Local Restrictions Support Grant (Open) Scheme.

## **2 BACKGROUND AND MAIN CONSIDERATION**

- 2.1 The Local Restrictions Support Grant (Open) was announced on 22 October 2020. The grant scheme is effective from 1 August 2020 and enables Local Authorities to support Businesses in the hospitality, hotel, bed & breakfast and leisure industries that are still open but severely impacted by Tier 2 & Tier 3 restrictions.
- 2.2 The guidance suggests grant payments are made to eligible businesses as follows:
- Rateable Value up to £15,000 - £934 per 28-day period
  - Rateable Value £15,001 to £50,999 - £1,400 per 28-day period
  - Rateable Value £51,000 and over - £2,100 per 28-day period

Local Authorities have the freedom to determine the precise eligibility criteria for these grants. However, BEIS expects the funding to be targeted at hospitality, hotel, bed & breakfast and leisure businesses.

- 2.3 On the 31 October 2020 BEIS announced a further grant scheme called the Additional Restrictions Grant (ARG). This is a discretionary scheme aimed to support businesses that have had their trade affected by restrictions but are not eligible for the other grants. Sandwell's ARG discretionary scheme was approved by Emergency Committee on 11 November 2020. It will predominantly support:
- Businesses which have been required to close by the restrictions but are not on the rating list; such as businesses which lease part of the accommodation from another business and market traders
  - Businesses which have not been legally forced to close but have been severely impacted by the restrictions put in place; for example businesses which supply the retail, hospitality and leisure industries
  - Businesses which are important to the local economy
- 2.4 As discretionary support grants will be provided through the ARG scheme, this report recommends that the Council provides support through the Local Restrictions Support Grant (Open) scheme to those businesses in the hospitality, hotel, bed & breakfast and leisure industries only and makes payments in accordance with the guidance provided by BEIS.

## **3 THE CURRENT POSITION**

- 3.1 During the period April to September 2020, the Council distributed over 5,000 grants to businesses providing over £57 million support.

3.2 A further package of grants schemes was announced in October 2020 to support businesses through the on-going restrictions and national lockdown.

## **4 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

4.1 Given the timeframe involved there has been little stakeholder engagement on the Local Restrictions Support Grant (Open).

## **5 ALTERNATIVE OPTIONS**

5.1 The council could introduce discretionary elements to its application of the Local Restrictions Support Grant (Closed) however this would create confusion for businesses around which grant to apply for and would be difficult to administer.

5.2 Broadening the types of businesses we want to support could also result in insufficient funding.

## **6 STRATEGIC RESOURCE IMPLICATIONS**

6.1 Each eligible Local Authority will be issued funding allocations that will be calculated using Valuation Office Agency (VOA) data on the number of hospitality, accommodation and leisure businesses in that Local Authority geography, plus a 5% top-up. The top-up will help to cover the cost of grants where the VOA data is inaccurate.

6.2 New Burdens funding will also be provided to cover the council's administration costs.

## **7 LEGAL AND GOVERNANCE CONSIDERATIONS**

7.1 BEIS requires councils to publish details of its Local Restrictions Support Grant (Open) on its web-site.

## **8 EQUALITY IMPACT ASSESSMENT**

8.1 An equality impact assessment is not required.

## **9 DATA PROTECTION IMPACT ASSESSMENT**

9.1 All applications will be processed in accordance with GDPR regulations

## **10 CRIME AND DISORDER AND RISK ASSESSMENT**

10.1 A full risk assessment will be undertaken and updated throughout the scheme with an emphasis on managing the risk of fraud. Pre and post payment checks will also be carried out.

## **11 SUSTAINABILITY OF PROPOSALS**

11.1 The grants will be administered by the Revenues and Benefits Service. Full funding will be provided to cover the costs of the grants and a New Burdens grant will be provided to cover administration costs.

11.2 Grant payments will help businesses survive the impact of the pandemic which directly impacts the wealth of the borough and helps to keep people in employment

## **12 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

12.1 There are no direct implications on health and wellbeing arising from the decisions being sought.

## **13. IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

13.1 No impact.

## **14. CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

14.1 Administering the Local Restrictions Support Grant (Closed) in accordance with the guidance provided by BEIS will ensure those businesses severely impacted by tier 2 and tier 3 restrictions receive financial support.

## **15. BACKGROUND PAPERS**

15.1 None

## **16. APPENDICES:**

16.1 None