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| **Record of Executive Member Decision Taken Under the Scheme of Delegation Error! Unknown document property name.** | **On** |
| **15th July 2021** |
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| **Title** | **Report of** |
| **Additional Restrictions Grant Final Top Up Payment** | Leader of the Council and Cabinet Member (Strategy and Reform) |

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| Is this report confidential? | No  |

# Purpose of the Report

1. The purpose of the report is confirm the amount and approve payment of the final round of Additional Restrictions Grant top up payment.

## Recommendations

1. That approval is given to process a top up payment of 40-50% to all successful ARG applicants
2. That approval is given to make additional payments to businesses in the Hospitality, accommodation, travel, events, hair and beauty and wedding sectors who have previously received Restart Grant funding

### **Reasons for recommendations**

1. It is essential that we distribute all the remaining ARG funds to eligible businesses

#### **Other options considered and rejected**

1. The only other options considered was to not provide top up payments but this would not be supporting our businesses and would put at risk eligibility for future funding streams.

**Corporate outcomes**

1. The report relates to the following corporate priorities: (tick all those applicable):

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| An exemplary council |  | Thriving communities |  |
| A fair local economy that works for everyone | ✓ | Good homes, green spaces, healthy places |  |

**Background to the report**

1. The Government made an initial Additional Restrictions Grant (ARG) allocation of **£2,215,760** to the Council in November 2020, providing guidance that this could be spent up to 31st March 2022. The Council prepared a grant scheme in line with this allocation, timescale, and in accordance with the scheme guidance.
2. In January 2021, a 2nd tranche allocation of **£984,136** was announced; bringing the total grant to **£3,199,896**.
3. In March 2021, the Government announced that a 3rd Tranche of funding would be made available **(£706,699** for South Ribble); however this would be conditional upon the first two tranches (total **£3,199,896**) being spent by 30th June 2021.
4. The January and March announcements presented significant challenges as the Council now had to defray more money in a reduced timeframe (9 months less).
5. This also came at a time when existing Local Restrictions Support Grant schemes were coming to an end, and Restart Grants were being introduced; both very resource intensive.
6. The Council responded pro-actively, by revising it’s original ARG scheme as follows:
* Lowering the qualifying threshold of income loss (from 40% to 10%)
* Extending the range of payments – through April & May
* Reopening it’s application window to attract new applicants.
1. On 14th June, the Government announced that restrictions (Roadmap step 3) would remain in place until 19th July, and on 17th June announced that the deadline for spending tranches 1 and 2 of ARG received, which is required in order for the council to receive tranche 3 ARG funding, would be extended to 30th July. Government also issued new guidance:
2. Following the decision to delay stage 4 of the roadmap, Local Authorities are also encouraged to focus their support on those sectors that remain closed or are severely impacted by the extended restrictions, even if those businesses have already been in receipt of Restart Grants.

***Proposed Response to Ongoing Restrictions***

1. In recognition of the extended restrictions, the Council is proposing additional payments to the following sectors:
* Hospitality / Accommodation
* Travel / Events
* Hair & Beauty, including hairdressers & barbers
1. It is proposed to offer additional support to businesses in these sectors who have previously received Restart Grant funding; businesses in receipt of Restart Grants were previously excluded from ARG support, however under the new updated guidance, they are now eligible.
2. Payments will be based upon applicants’ Rateable Value as follows;

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| **RV** | **Payment** | **Sector** | **Estimated Number of Businesses** | **Cost** |
| £0 – £15,000 | £2,000 | Hospitality | 64 | £128,000 |
| Travel / Events | 14 | £28,000 |
| Hair& Beauty | 128 | £256,000 |
| £15,001 - £50,000 | £4,000 | Hospitality | 55 | £220,000 |
| Travel / Events | 1 | £4,000 |
| Hair & Beauty | 2 | £8,000 |
| £50,000+ | £6,000 | Hospitality | 6 | £36,000 |
| Travel / Events | 4 | £24,000 |
| Hair & Beauty | 0 | £0 |
| **TOTAL** |  |  | **274** | **£704,000** |

1. It should be noted that these figures may change marginally as the Restart Grant application window is open until 30th June, and as final eligibility / anti-fraud checks are undertaken.

***Applications / Payments to Date***

1. The Council received 386 ARG applications, and these have been assessed by staff from the Business & Skills, Revenues & Finance teams in accordance with Government guidance.
2. Grant payments of **£1,695,435** have been made to successful applicants
3. Taking this figure, plus the additional **£704,000** outlined above;
4. **This leaves a further £800,461** *(£3,199,896 - £1,695,435 - £704,000)* **to be defrayed no later than 30th July, if the Council is to qualify for the 3rd Tranche funding.**

***Proposed Top-Up***

1. It is proposed to make a final “top up” payment to all successful applicants based upon the remaining funds of **£800,461** above plus a **£50,000** safety margin; a total top up of **£850,461.**
2. The safety margin is to cover the eventuality that some businesses may return the grant / have ceased trading since original payments were made.
3. The safety margin will be funded as a first call on the 3rd Tranche allocation.
4. In the event that the Council does not qualify for 3rd Tranche funding; the safety margin would be funded from unring-fenced Covid-19 grant funding.
5. This approach equates to a top up payment of **50%** *(£850,461 / £1,695,435)* of the payment applicants have already received under the main ARG scheme.
6. It is proposed that this would be applied universally to all successful ARG applicants.

**Risk**

1. The key risk is not spending all of the money which would put at risk future funding being received by the Council.

**Equality and diversity**

1. All eligible businesses would be covered by the proposal.

**Comments of the Statutory Finance Officer**

1. The report outlines how the final ARG 2 payments will be made which is necessary to claim the third instalment of the grants. Once approved the S151 Officer will contact BEIS to claim the final instalment.

**Comments of the Monitoring Officer**

1. Clearly we have had to move very quickly in this regard. The aim is to help relevant businesses through the final stage of disruption by the Covid crisis. It is important we have appropriate processes in place to prevent any form of fraudulent claims.

**Background documents** (or There are no background papers to this report)

None

**Appendices**

None

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| Report Author: | Email: | Telephone: | Date: |
| Jonathan Noad (Director of Planning and Development) | jnoad@southribble.gov.uk | 01772 62xxxx |  |

Following careful consideration and assessment of the contents of this report, I approve the recommendation(s) contained within this report in accordance with my delegated power to make executive decisions.

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| Signed: |  |
|  | *Insert Name of Executive Cabinet Member and Portfolio* |
| Date: |  |
| Publication Date (DSO use only): |  |

This decision will come into force and may be implemented five working days after its publication date, subject to being called in in accordance with the Council’s Constitution.