

## Rother District Council

Record of an officer decision (executive)

<b>Decision Title</b>	Local Authority Discretionary Business Grants Scheme
<b>Reference Number</b>	OED006
<b>Date of Decision</b>	27 May 2020
<b>Decision Maker</b>	Executive Directors (Malcolm Johnston and Dr Anthony Leonard)
<b>Authority for delegated decision</b>	<p>Council resolution dated 23 March 2020 as follows:</p> <p>“in respect of critical (Executive Functions) business that cannot wait delegated authority be granted to the Council’s Executive Directors (or in their absence one of the Statutory Post Holders (Section 151 Officer and Monitoring Officer or in their absence a Head of Service) following agreement with the Leader (or in their absence, the Deputy Leader of the Council) and in consultation with a minimum of four Members of Cabinet and Councillor C.R. Maynard, Conservative Group Leader, to make a decision remotely.”</p>
<b>Ward</b>	N/A
<b>Consultation</b>	<p>Consultation with Cabinet Members and Leader of the opposition as agreed under delegated authority. Specific agreement to proceed granted by the Leader of the Council.</p> <p>Councillor P.N. Osborne, Chairman of the OSC</p>
<b>Decision made</b>	<p>To implement the Local Authority Discretionary Business Grant Scheme from 1 June 2020 and to grant delegated authority to the Executive Directors to make minor amendments to the scheme in light of applications. Following consultation with Members it was agreed to add self-contained holiday lets that are registered for Council Tax to the priority businesses identified in the scheme (note: those registered for business rates will be eligible for the Small Business Rate Relief or Retail, Hospitality and Leisure grant schemes).</p> <p>Whilst ordinarily a new policy would have been a recommendation to Council, in accordance with the urgent decisions outside of the budget or policy framework, it is not practical to convene a quorate meeting of the Council within the timeframe and provided that the Chairman of the Overview and Scrutiny Committee is in agreement, this new policy will be agreed.</p>
<b>Reasons for decision</b>	<p>The Government recently announced additional funding aimed at businesses who were not eligible for the Small Business Grant Fund or Retail, Leisure and Hospitality Fund to support these Businesses within the Rother District. The</p>

	<p>funding is limited (£1.476m).</p> <p>The Government have asked that we prioritise businesses with fixed property-related costs which can demonstrate that they have suffered a significant fall in income due to the Covid-19 pandemic.</p> <ul style="list-style-type: none"> <li>• Small businesses in shared offices or other flexible workspaces which do not have their own business rates assessment.</li> <li>• Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment.</li> <li>• Bed &amp; Breakfasts and Guest Houses which pay Council Tax instead of business rates.</li> <li>• Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.</li> </ul> <p>The amount that eligible businesses will receive will be capped at £25,000 and it is more likely that lesser amounts will be awarded to enable the funding to go further. See attached briefing note.</p>
<p><b>Highlight any associated risks, finance / legal / equality considerations</b></p>	<p>The limited funds mean that it likely the Council will be unable to meet demand from businesses without further rounds of funding. Whilst this does not cause immediate financial or any other risks, it may have a longer-term financial impact on the Council should there be a substantial failing of the local economy.</p> <p>There could be reputational risks if businesses feel they are not benefitting from this grant as it is perceived as 'discretionary'.</p>
<p><b>Details of any alternative options considered and rejected</b></p>	<p>None.</p>
<p><b>Details of any declarations made</b></p>	<p>Councillor Vine-Hall declared a personal and prejudicial interest as a potential beneficiary of the scheme in relation to self-contained holiday lets.</p> <p>Councillor Bayliss declared a personal and prejudicial interest as a Director of a Company that could qualify for the scheme.</p>

Signed:

Date: 27 May 2020

*Melvin Johnston*

*D. L. Teasdale*

## **Briefing Note - Local Authority Discretionary Business Grants Scheme**

### **Introduction**

1. The Government recently announced additional funding to allow us to support additional Small Businesses within the Rother District. The funding is limited to £1.476m and aimed at businesses who were not eligible for the Small Business Grant Fund or Retail, Leisure and Hospitality Fund.
2. The Government have asked that Councils prioritise businesses with fixed property-related costs which can demonstrate that they have suffered a significant fall in income due to the COVID-19 pandemic. The priority businesses are:
  - (i) Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment
  - (ii) Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment
  - (iii) Bed & Breakfasts and Guest Houses which pay Council Tax instead of business rates
  - (iv) Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.
3. There are likely to be many other types of business, for example self-contained holiday lets, who have suffered a downturn in income and therefore the above list is not exhaustive. The amount that eligible businesses will receive will be capped at £25,000 but lesser grant payments are expected to be the norm.

### **Ineligible businesses**

4. There are certain businesses that the government have excluded from being able to receive this grant including:
  - (i) Businesses which are eligible for the Self-employed Income Support Scheme
  - (ii) Businesses which received the Small Business Grant Fund
  - (iii) Businesses which received the Retail, Hospitality and Leisure Grant Fund
  - (iv) Businesses that operate a fishing vessel and are eligible for the Fisheries Response Fund
  - (v) Businesses that operate a seafood supply business and eligible for the Domestic Seafood Supply Scheme (DSSS)
  - (vi) Businesses that operate zoos and aquariums and are eligible for the Zoos Support Fund
  - (vii) Dairy farmers who are eligible for support under The Dairy Hardship Fund.
5. The above businesses will still be able to apply for the discretionary grant scheme if they can demonstrate that they have applied and been turned down for these schemes.

## **Eligibility criteria**

6. Using the government guidance, the proposed criteria for the grant will require businesses to evidence that they:
  - (i) occupy a property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.
  - (ii) can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis
  - (iii) employ fewer than 50 employees
  - (iv) were trading on or before 11 March 2020

## **Application Process**

7. An on-line form will be developed that will ensure the businesses are able to provide the necessary information for their application to be assessed. The initial assessment will be carried out by an external company who have access to financial information to establish the applicant is genuine. This is particularly important part of the process as the Government will not share data with local Councils to help this process. Then an officer team will have to carry out any final eligibility checks and arrange for payment by BACS. Requests for decision reviews will be undertaken by the Assistant Director, Resources
8. It is also proposed that there will be a specific time window for businesses to apply. This is currently being agreed with neighbouring councils, but it is hoped that the application process will open by 1 June at the latest. This will enable the assessment of the amount of grant for each business that can be awarded within the overall funding for this scheme.