

Rother District Council

Report to: Cabinet

Date: 1 March 2021

Title: Additional Restrictions Grant - Discretionary Business Grants Scheme

Report of: Robin Vennard, Assistant Director Resources

Cabinet Member: Councillor Dixon

Ward(s): ALL

Purpose of Report: To agree an expansion of the current ARG scheme to provide funding to a wider range of businesses affected by the continuing COVID-19 pandemic.

Decision Type: Non-Key

Officer

Recommendation(s): It be **RESOLVED:** That:

- 1) the additional eligible business sectors outlined in the report be included in the Council's Additional Restrictions Grant scheme; and
- 2) the Chief Executive be granted delegated authority in consultation with the Cabinet Portfolio Holders for Finance and Performance Management and Economic Development and Regeneration to determine the amounts of grants and detailed criteria.

Reasons for

Recommendations: To maximise the use of the available funding to support local businesses and charities. Any unspent funds will have to be repaid to the Government.

Introduction

1. Members will be aware that the Council has operated a discretionary business grant scheme in various forms since the first countrywide lockdown in March 2020. This has always been in addition to the previous schemes which helped small businesses and the retail, hospitality and leisure sectors. The current scheme is called Additional Restrictions Grant (ARG) and it is proposed to expand the scheme to help those businesses and charities that have seen a material reduction in their income but are not eligible for the other schemes and/or any other Government support (e.g. self-employed support).
2. The current ARG discretionary grant scheme has a total fund of £2.7m which the Government have said needs to last until 31 March 2022. Since its launch the scheme has helped 371 businesses and paid out some £800,000 of grants. This leaves a current balance in the fund of £1.9m and it is proposed to expand the scheme to encourage further businesses to apply.
3. The existing grant and criteria is as follows.

Existing Eligibility criteria and award amounts

4. The current grant initially covers the period 19th December 2020 (when Rother entered tier 4) until 15th February 2021 (when the current national lockdown restrictions are due to be reviewed). This is a total of 59 days. If either national lockdown or tier 4 restrictions apply after the 15th February 2021, the scheme will be extended and the award amounts amended accordingly.

Category	Grant Amount
Shared spaces – this relates to Non-rate paying businesses required to close because of the national lockdown measures (e.g. those operating in shared office space that do not have their own separate rating assessment.	£2,810.93
Bed & Breakfast – this relates to property that is domestic and therefore subject to council tax rather than business rates, provides short stay accommodation for no more than six persons; and the property is the sole or main residence of the proprietor.	£2,810.93
Market Traders – this relates to market traders that have been instructed to close as they sell non-essential items to visiting members of the public from a stall, pitch or similar that is recognised by the Council as a market.	£1,685.71
Holiday accommodation including self-contained holiday lets and small campsites – this relates to property that is domestic or land that forms part of a domestic property and therefore subject to council tax. This does not include businesses where the letting is by way of home sharing (e.g. where a bedroom is let within a domestic property).	£2,810.93
Hospitality and Leisure Supply Chain – this relates to businesses wholly or mainly involved in providing goods and services to businesses undertaking the provision of food, beverage, hospitality, events or leisure where the current national restrictions have severely curtailed their ability to operate.	**Up to £6,321.43
Arts and Entertainment – this relates to cultural, tourist and entertainment Industries not eligible under the main scheme where the current national restrictions have severely curtailed their ability to operate.	£2,810.93
Home Based ‘in person’ businesses – this relates to businesses that are primarily home based and as at 18 December 2020 provided services that were wholly or mainly ‘in person’ and which cannot be provided remotely.	£1,685.71

** for businesses with a rateable value of £15k or under or where there is no rateable value £2,810.93

Additional areas to support during a National Lockdown and Tier 4 Restrictions

5. **Rother Based Charities with significantly reduced income (50% or more) due to COVID- 19 restrictions – not charity shops** – normal charity fund raising activities and other sources of income have been affected by Government restrictions and the economic uncertainty affecting many households. Charity shops are eligible for support under the “closed” business grants scheme and therefore this discretionary grant would not be available to them.

6. **Small or micro business still able to trade but significantly reduced income (50% or more) due to COVID- 19 restrictions** – feedback has identified a number of small businesses that have seen their income substantially affected by Government restrictions and the economic uncertainty affecting many households but as they are not required to close under the lockdown regulations, find themselves unable to access grant support. This grant would need to be restricted to where trade is required to take place on business rated premises and could not be supplied via the internet.
7. **Larger businesses** – the government guidance gives local authorities flexibility as to how this funding can be used to support businesses including larger businesses (in excess of 50 employees). It is not proposed that the Council provides financial support at this stage to larger businesses. However if it becomes apparent that a major local employer is in danger of failing, then the Council could consider using some of the grant funding to provide a financial support package.
8. The value of the grants will be in line with the current scheme detailed above. It will not be possible to provide support to new businesses established during the period of the pandemic with no trading history as it is important to be able to demonstrate that it was a viable business. It is not proposed to extend the scheme to predominately home-based businesses not included in the above sectors or to the self-employed where already in receipt of Government support.

Conclusion

9. From the operation of these grants over an extended period of time, it is clear that many businesses are struggling to access the support they need. By broadening the ARG scheme, the Council can provide a minimum level of support to many more businesses and make best use of the funding provided. Members are therefore asked to approve the revised ARG discretionary scheme as detailed in the report. It is also proposed to delegate authority to the Chief Executive in consultation with the Cabinet Portfolio Holders for Finance and Performance Management and Economic Development and Regeneration to determine the amounts of grants and detailed criteria

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	External Consultation	No
Environmental	No	Access to Information	No
Risk Management	No	Exempt from publication	No

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Appendices:	None.
Relevant Previous Minutes:	None.
Background Papers:	None.
Reference Documents:	None.