

REPORT TO:		Cabinet	
DATE:		11 November 2020	
PORTFOLIO:		Cllr Miles Parkinson, Leader	
REPORT AUTHOR:		Joe McIntyre Deputy Chief Executive	
TITLE OF REPORT:		COVID 19 Business Support Grants (Autumn 2020)	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

- 1.1. The report informs Cabinet of new Business Grants administered locally in Autumn 2020 to provide financial assistance to businesses during the pandemic.

2. Recommendations

- 2.1. Cabinet notes the report.

3. Reasons for Recommendations and Background

- 3.1.** The Government has introduced widespread assistance to help businesses suffering as a result of the COVID 19 pandemic. Some of the assistance is handled centrally by Government Departments and payments or forms of help are processed directly by civil servants or via other means. However, the Government has also devised a number of schemes to support businesses that involve local government. Back at the start of the pandemic councils were asked to pay large one off grants to businesses in the Retail, Hospitality and Leisure sectors that appeared on their business rates lists and this was followed in the summer with a more flexible scheme which aimed to make grant payments to businesses who had not received assistance under the first scheme.
- 3.2.** With escalating numbers of cases of COVID 19 in September and October 2020 the Government has now made a series of announcements around further support for businesses, some of which they have asked Councils to once more process.
- 3.3.** The Government has indicated it intends that businesses closed under Tier 3 restrictions will receive a grant for each two week period they are closed. The amount of grant paid will depend on the rateable value of the business premises occupied. This is detailed in the table below.

Rateable Value	Grant for 4 week period
Less than £15,000	£1,334
More than £15,000 less than £51,000	£2,000
More than £51,000	£3,000

- 3.4.** It is expected that businesses forced to close under the national lockdown rules that come into force on the 5th November 2020 will also receive a similar level of payment, but information at the time of writing this report has not been released.
- 3.5.** Tier 3 regulations for Hyndburn, closed pubs and bars that did not serve substantial meals from the 17th October and Soft Play, Car Boot Sales, Bingo Halls, Arcades and Betting Shops from the 19th October. The Council invited applications for grant payments to qualifying businesses from the 4th November 2020 and the first payments were expected to be made the following week.
- 3.6.** Businesses forced to close under the national lockdown which includes non-essential retail, gyms, pubs and bars that serve food, etc will be able to apply to the Council for financial support once the Department for Business, Education and Investment provides details of the scheme and conditions for award of the grant.
- 3.7.** Businesses that meet the Government's definition in the Hospitality, Accommodation and Leisure sector of the economy and fulfil other criteria including that they can demonstrate a severe impact on their business from COVID 19, will also be able to apply for grant funding for the period 1st August 2020 to the 5th November 2020. This will be paid at 70% of the amounts shown in 3.4 above.

Rateable Value	Grant for 4 week period
Less than £15,000	£934
More than £15,000 less than £51,000	£1,400
More than £51,000	£2,100

- 3.8.** In addition, the Council is due to receive funding to support those businesses from the Night Time economy which have remained closed by Government Order since 23rd March 2020. Once details of the scheme and qualifying conditions are announced the Council will develop an application process and appropriate businesses will be able to apply.
- 3.9.** The Council is also due to receive a share of £30m given to Lancashire to provide financial grants to businesses not already assisted by the schemes outlined above. The details of the actual amount to be received by Hyndburn Council have not been finalised (as at 3rd November 2020) and we have yet to receive details from the Government around the qualifying requirements for the payment of the grant. Once this is received the Council will develop an application process and businesses will be notified of the scheme requirements and how to apply.
- 3.10.** In a number of the grant areas funding will be limited to a specific period of time or may have to be withdrawn when the amounts provided by Government to fund the scheme are exhausted. There will be strict conditions imposed to help minimise the potential for fraud and extensive cross checking of data will take place between the Council and other Government Departments including HMRC to determine the validity and accuracy of information provided by applicants. In relation to some of the grants it may be necessary to determine a priority system on which to make the award, in addition to any other criteria required.

3.11. Our intention is to make payments as quickly as possible to businesses once we have the full criteria and funding from the Government and can process payments in a financially robust way that prevents fraud and other abuse.

4. Alternative Options considered and Reasons for Rejection

4.1. Not applicable. This report is for information purposes.

5. Consultations

5.1. Not applicable

6. Implications

Financial implications (including any future financial commitments for the Council)	The funding to be used for the payment of business grants will come from the Government and the intention is to limit spending to within these funding levels, so no additional costs fall on the Council.
Legal and human rights implications	Not applicable
Assessment of risk	Each of the schemes is subject to potential fraud and mistake especially given the speed at which they are being introduced. Various steps and controls are being introduced to reduce the potential level of fraud and error.
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy</i>	Not applicable

<i>decisions and should be attached as an appendix to the report.</i>	
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7. Local Government (Access to Information) Act 1985: List of Background Papers

Not applicable