

OFFICER DECISION RECORD

CMT Officer: Paul Medd, Chief Executive	<p>Delegated Power Being Exercised: Chief Executive Urgency Powers: Table 4, Functions delegated to officers: Chief Executive, Paragraph 6, Page F16 of the Constitution.</p> <p>In cases of urgency to have a general power, after consultation with the member holding the appropriate portfolio in Cabinet, or the Chairman of the relevant committee as the case may be, to deal with any matter not delegated to any other officer by statute or other legislation on which the Chief Executive considers to require a decision before the next meeting of the appropriate body within the Council.</p>
<p>Subject of Decision: Closed Businesses Lockdown Payment and Additional Restrictions Grant (January 2021)</p> <p>Following the government's announcement on 4th January 2021 that the UK would be entering a third national lockdown from 5th January 2021 the government announced additional support which would be available to businesses.</p> <p>The package of additional support, which was announced by the Chancellor of the Exchequer, Rishi Sunak, has two components:</p> <ul style="list-style-type: none">- the payment of a one-off grant of £4,000, £6,000 or £9,000 to businesses required to close as a result of the national lockdown. This payment is additional to the Local Restrictions Support grant which businesses required to close are entitled to receive and is known as the Closed Businesses Lockdown Payment; and- the allocation of an additional £594 million to local authorities for the purposes of enabling authorities to pay out additional discretionary grants – it was confirmed on 14th January 2021 that the Council's share of this allocation was £904,739. The government has confirmed that this allocation is to be treated as a 'top-up' to the initial Additional Restrictions Grant allocation which was paid out in November 2020. The Council's initial Additional Restrictions Grant allocation was £2,037,000. <p><u>Closed Businesses Lockdown Payment</u></p> <p>This grant is available to all businesses required to close during the third national lockdown. Regulations state that businesses are eligible to receive the payment if they were registered for business rates on 5 January 2021 and were required to close due to the regulations relating to the third national lockdown. Businesses which have multiple premises which were required to close can obtain a grant for each eligible property. The value of the grants available are as follows:</p> <p>For properties with a Rateable Value up to but not exceeding £15,000 – a one-off grant of £4,000; For properties with a Rateable Value over £15,000 but not more than £51,000 – a one-off grant of £6,000; and For properties with a Rateable Value in excess of £51,000 – a one-off grant of £9,000</p> <p>Grants will be paid to eligible business alongside the Local Restrictions Support Grant which all eligible businesses are entitled to for the 42-day period from 5th January – 15th February 2021.</p>	

Additional Restrictions Grant

Government guidance states that the purpose of the Additional Restrictions Grant allocation is to pay discretionary grants to local businesses but there is also discretion for local authorities to use the money received from government to provide wider business support which may include the costs associated with the provision of advice and guidance and skills training. The government has stated that councils have until 31 March 2022 to spend the funds they have been allocated.

Fenland District Council established its first discretionary grant scheme using its Additional Restrictions Grant allocation in November 2020. This is explained in the Officer Decision Notice dated 17 November 2020, <https://www.fenland.gov.uk/localgov/documents/d561/Printed%20decision%20LRSG%20and%20ARG%20November%202020.pdf?T=5>

Fenland District Council is establishing a further discretionary scheme which will be open for online applications between 22nd January 2021 and 15th February 2021. The scheme shall be known as the Supplementary Winter Lockdown Grant. The deadline for applications will be 9am on 15th February 2021. The scheme will be implemented under the general power of competence conferred on local authorities under s.1 of the Localism Act 2011 and will be administered in accordance with government guidance.

Fenland District Council will make ARG funding available where all the following criteria are met:

- the businesses, both individually and in the context of any Group structure, meets the definition of being a small or micro-business, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006; and
- where the business occupies premises in Fenland registered for business rates, the rateable value of those premises is £51,000 or less; and
- the business is not entitled to receive the Closed Businesses Lockdown Payment; and
- the business is currently trading or intends to resume trading once Covid-19 restrictions permit

In order to be entitled businesses must fulfil at least one of the following criteria:

- the business received a grant from the Small Business Grant Fund or the Retail, Hospitality and Leisure Grant scheme in 2020 and, as at 5 January 2021, continued to meet the criteria for the aforementioned schemes, i.e. the business is in receipt of small business rates relief or the expanded retail discount; or
- the business did not receive a grant from the Small Business Grant Fund or the Retail, Hospitality and Leisure Grant scheme but met the criteria which applied to those schemes as at 5 January 2021, i.e. the business is in receipt of small business rates relief or the expanded retail discount; or
- the business applied for and received a grant from Fenland District Council in respect of the discretionary grant schemes which the Council ran between June and August 2020 and in November – December 2020; or
- the business has been required to close due to the third national lockdown and/or has been directly affect by Covid-19 and can demonstrate:
 - o a significant reduction in sales, revenue and/or income of at least 50% and an average reduction of at least £3,000 per month over the period 1 April 2020 – 31 December 2020) compared to a comparable trading period prior to the Covid 19 outbreak, e.g. 1 April 2019 – 31 March 2020 (although shorter comparison periods are permissible for recently-established businesses); and/or
 - o fixed costs of at least £15,000 per annum.

Eligible businesses will receive a grant of £1,200. If the current national lockdown is extended beyond 15th February 2021 eligible businesses will be paid an additional £200 for each seven-day period the lockdown is extended up to a maximum of £800.

The full cost of both the LRSG and the ARG will be recoverable from the Government under Section 31 of the Local Government Act 2003. The decision on grounds of urgency will enable the Supplementary Winter Lockdown Grant scheme to be effective from 22nd January 2021 which is the date the scheme opens for applications.

Decision Taken:

Having consulted with the Leader of the Council and Finance Portfolio Holder to delegate to the S.151 Officer the ability to:

- administer the Grant Schemes in accordance with Government Guidance; and the local key principles; and
- recover the costs associated with the above in accordance with s.31 of the Local Government Act 2003.

As announced and required by Government in October 2020 and howsoever amended until such time as they are discontinued when this delegation shall also cease subject to any appropriate transition arrangements having been concluded and all costs appropriately recovered.

Reason for the Decisions:

To ensure businesses receive the grants monies from government to support them during the Covid 19 crisis.

As there is currently no regular system in place for the administration of the Grant Scheme this would fall for determination by Full Council. The next Council meeting is not until 23 February 2021, without taking this urgent decision the awarding of the grants will be unacceptably delayed and businesses will suffer as a result potentially become insolvent leading to the loss of local jobs.

There is no financial impact on the Council as the government is reimbursing the Council via a Section 31 grant.

Alternative Options Considered (if appropriate):

No alternatives available as waiting to agree the new schemes at the next scheduled meeting of Full Council will result in a delay to implementation and therefore the availability of funding to qualifying businesses.

Background/Reports/Information considered and attached:

Government Announcements

Portfolio Holder/Officer's Signature

Paul Medd, Chief Executive

Councillor Chris Boden, Leader and Portfolio Holder

Date:

26 January 2021

26 January 2021

Please forward to Democratic Services upon completion

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**Date copy passed to
Democratic Services**

**Implementation Date:
(if not called-in)
(Allow 5 clear working days after publication
of decision)**

Circulation: Democratic Services, Portfolio Holder, Officer and Accountancy.