

Portfolio Holder decision record sheet

Name of decision makers:	Cllrs Andrew Williams, Graeme Elliot, Graham Sutton
Portfolios:	Community Leadership, Finance & Resources, Planning and Infrastructure
Date of Portfolio Holder decision:	5 th January 2021

Title of decision:	Local Restrictions Support Grant (Open) (LRSG (Open)) – COVID-19 Support for Local Businesses.
Part II:	No
Part II reason:	

Background to report:

As part of its response to the disruption caused by COVID-19, Central Government has announced funding and outline guidance for the distribution of the Local Restrictions Support Grant (Open). These grants are paid to businesses that are open but impacted in the way they can trade by the various tier restrictions.

Local authorities are responsible for delivering grants to businesses and have discretion over the design and implementation of their local scheme. The LRSG (Open) funding for local authorities, has been calculated based on data supplied by the Valuation Office Agency (VOA) with allocations made for all properties registered as hospitality, accommodation and leisure.

This discretionary scheme sits alongside support for businesses which are ordered to close, which is the LRSG (Closed) scheme. Payments for closed businesses are fixed by Central Government, and will be fully funded by them.

Dacorum will receive £351k as a tier 2 authority for the period 2nd December to the 19th December when the authority moved in to tier 4 and future grant awards will be announced.

Decision made and reasons:

To formally approve the adoption of the policy based on the principles and criteria detailed within the body of this report to implement a LRSG (Open) scheme across Dacorum.

Approval is sought through PH Decision in order to expedite decision-making and ensure that payments can be made to eligible businesses as quickly as possible.

Authority to make decisions of this type has been delegated to Portfolio Holders by Cabinet decision CA/78/17.

Reports considered: (here reference can be made to specific documents)

Local Restrictions Support grant (Open) – Guidance for Local Authorities. BEIS Department.

Officers/Councillors/Ward Councillors/Stakeholders consulted:

Cabinet

Chief Officer Group

Assistant Director (Finance & Resources)

Assistant Director (Planning, Development and Regeneration)

Group Manager (Revenues, Benefits & Fraud)

Group Manager (Strategic Planning and Regeneration)

Portfolio Holder decision record sheet

Monitoring Officer comments:	This decision is being approved as an urgent decision without giving the usual 28 days' notice. In accordance with the Access to Information Regulations the Chair of the Finance and Resources Overview and Scrutiny Committee has agreed that this is an urgent decision and can proceed.
Deputy Chief Finance Officer comments:	This Decision Sheet was drafted by the Deputy S151 Officer. The Council's administration costs will be met from new burdens allocations.
Implications:	The £351k will support businesses during a period of restricted trade due to Covid restrictions. These funds are targeted at Hospitality, Leisure and accommodation sectors that are considered hardest hit.
Risk:	If the Council does not adopt the scheme the consequent delay in making award payments will increase the risk of businesses within the borough ceasing to trade.
Value for money:	The Council will implement this scheme within existing service delivery and budgets.
Options considered and reasons for rejection:	
The rationale behind the proposed approach for all discretionary elements of the scheme is covered in detail within the body of the report.	

Portfolio Holders signatures:
Date:
Details of any interests declared and any dispensations given by the Standards Committee:

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Date decision record sheet received from portfolio holder:	
Date decision published:	Decision no:
Date of expiry of call-in period:	
Date any call-in received or decision implemented:	

Background

1. On 31 October 2020, the Government announced the launch of various Business Grants to enable local authorities to support businesses in their local economy following the imposition of national lockdown restrictions. Under the LRSG (Open), local authorities will receive ongoing grants, dependent on the tier of restrictions. The funding is based on the Local Authority volume of hospitality, accommodation and leisure properties multiplied by the recommended grant funding level per property as set out in table 1 below.

Portfolio Holder decision record sheet

Table 1: Government Proposed Grant Levels.

Rateable Value	Less than £15k	Between £15k to £51k	Greater than £51k
Grant Value	£467	£700	£1,050

2. Dacorum's initial allocation to cover the period of the 2nd December to the 19th December is £351k. This would be equivalent to £289k for a 14-day period.
3. In its guidance, Government envisages that LAs' use of LRSG (Open) to allocate discretionary grants to the businesses most impacted in the local area. LA's have the discretion to determine which businesses to target, but the amount of grant should be consistent with government proposals outlined in table 1, unless "there is a local economic need to deviate."
4. Whilst the design of the schemes is discretionary, Government funding calculations and guidance suggests that LAs may want to target those businesses in the Leisure, accommodation and Hospitality sectors with the value of grants being consistent with Government proposals.
5. With regard to business sectors, the Guidance 'encourages' LAs to consider the following groups:
 - a. Those businesses which, while not legally forced to close, have been severely impacted by lockdown restrictions, e.g. Hospitality, accommodation and leisure sectors.
 - b. Any other specific Local Business Support, Local Authorities deem required.
6. LA's have discretion to deliver a localised policy, but Central Government has specified some fixed eligibility criteria.
 - a. Must have been trading as a going concern prior to entering local restrictions on the 4th November 2020;
 - b. Must not be insolvent, struck off, been issued with a striking off notice, in administration, or in the process of liquidation;
 - c. Must be compliant with existing State Aid rules.

The DBC Scheme – principles

7. The DBC scheme aims to closely mimic government guidance and funding to assist businesses that have been most impacted by the trading restrictions, allow for allocations to be made quickly, and through a scheme that is designed to be as transparent and consistent with government guidance as possible.
8. The DBC scheme is based on the three main government principles which will determine the eligibility of businesses, the amount of payments, and the timing of payments.
 - a. Government funding is based on the businesses listed as leisure, hospitality and accommodation on the Valuation Office Agency database. In line with the funding eligible properties will be those that are in receipt of a business rates bill in Dacorum and are listed as leisure, hospitality and accommodation sectors. The funding for LRSG (Open) for

Portfolio Holder decision record sheet

this period is fixed and hence using the government approach will ensure that the council reduces the likelihood of incurring additional cost in excess of the grant funding.

- b. Fixed payment amounts determined by the size of the business – This approach targets those sectors identified in the government guidance and ensures that businesses have transparency over the amount awarded based on the rateable Value of properties,
- c. The first payment will cover the first 17 days of the tier 2 restrictions up to the 19th December and subsequent payments made on a fortnightly basis as and when the tier and funding are released by Government. This will allow the Council to make payments to eligible businesses as quickly as possible, within the constraints of the agreed funding.

The DBC Scheme – Grant award.

9. When applying to the Council for a direct grant award, businesses must certify that they satisfy the criteria and eligibility and the amount of grant is dependent on the business rates rateable value of the property:

Table 1: Government Proposed Grant Levels.

Rateable Value	Less than £15k	Between £15k to £51k	Greater than £51k
Fortnightly Grant	£467	£700	£1,050

The DBC Scheme – Application process.

10. Applications will be taken using a form on the website. To reduce the burden on businesses, and possible confusion, there will be a single form to collect information which officers will use to determine eligibility for both the LRSG (Open) and LRSG (Closed) schemes.
11. A single application approach means that if a business was able to open under Tier 2 restrictions, but will have to close under Tier 3, they will only have to make one application.
12. Applicants will be required to self-certify that they meet the eligibility criteria, and a number of internal checks will be carried out in order to reduce the risk of fraud and error. Checks will be made both before and after the payments.

Christmas Support Payment – Wet Led pubs.

13. The grant application process will also be utilised to administer the governments Christmas Support Payment scheme. This scheme is the one off £1000 grant allocation for all pubs that either do not provide food or have a limited food offer, known as “Wet led pubs”. The eligibility criteria, amount and frequency are all set by government and DBC will just administer the payment on their behalf, in line with the government criteria.