

CALL-IN AND URGENCY PROCEDURE

Decisions taken as a matter of urgency under Rule 16 of the Overview and Scrutiny Procedure Rules must be reported to Council, together with the reasons for urgency. Rule 16 provides that the call-in procedure shall not apply where delay in implementing the decision is likely to harm the Council's or the public's interests.

(PH/013/21) – 25 MAY 2021 - PORTFOLIO HOLDERS FOR FINANCE AND RESOURCES, COMMUNITY LEADERSHIP AND PLANNING AND INFRASTRUCTURE

Additional Restrictions Grant Phase 2 – COVID-19 Support for Local Businesses

Background to report:

As part of its response to the disruption caused by COVID-19, Central Government announced funding and outline guidance for the distribution of an Additional Restrictions Grant (ARG).

Local authorities are responsible for delivering grants to businesses and have discretion over the design and implementation of their local scheme. The Initial funding allocation was distributed among local authorities, following the November lockdown, at the rate of £20 per head of population. At this point Dacorum received funding of £3.1m, on the 5th January 2021 an additional £500m ARG national top up was announced that allocated DBC an additional £1.37m bringing the total DBC fund to £4.47m.

Originally these funds were announced to cover the financial period of December 2020 to April 2022, to support businesses through the end of the national lockdowns and into the economic recovery phase. As part of the budget announcement in March the government announced an additional £425m ARG top up for the financial year 2021/22, DBC is expected to receive £1.4m of this pot.

On March 18th additional government guidance was released that added grant conditions to the additional ARG top up, stating only local authorities that have fully utilised the existing £4.47m ARG allocations by the 30th June will be awarded the additional 21/22 ARG top up, which for Dacorum is £1.4m.

As of the 15th April the DBC ARG policy has allocated £1.3m of direct ARG business grants and has an additional £0.2m committed to be spent by June 30th 2021, this leaves a residual funding pot of £3m to be allocated by June 30th to be able to access the additional £1.4m.

Prior to the government's decision to require all existing ARG funding to be spent to achieve ARG top up funding in 21/22 the council was expecting to run a second phase of ARG business grants between April and June to support business reopening that would distribute circa £1.5m of the existing ARG.

The resulting government decision requires the council to allocate an additional £1.5m on top of prior projections to receive an additional £1.4m in funding. As such the decision to devise a scheme to utilise all the existing ARG funding appears sensible and logical and is an approach been taken by all but one of the Hertfordshire districts.

Decision made and reasons:

To formally approve the adoption of the Phase 2 ARG policy based on Option 3 which the principles and criteria are detailed within the body of this report to implement an ARG scheme across Dacorum for the allocation of £3m of ARG Government funding.

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.