

REPORT TO: BRIAN KEANE, CHIEF EXECUTIVE

DATE: 18 JUNE 2020

TITLE: BUSINESS DISCRETIONARY GRANTS

PORTFOLIO HOLDER: COUNCILLOR MIKE DANVERS, PORTFOLIO HOLDER FOR RESOURCES

LEAD OFFICER: SIMON FREEMAN, DEPUTY TO THE CHIEF EXECUTIVE AND HEAD OF FINANCE AND PROPERTY

CONTRIBUTING OFFICER: DONNA BEECHENER, REVENUES AND BENEFITS MANAGER (01279) 446245

This is a Key Decision

It is not on the Forward Plan. The following exemption applies:

This decision is being taken under the urgency procedures

The decision is not subject to Call-in Procedures for the following reason:

This decision is being taken under the urgency procedures

This decision will affect no ward specifically.

RECOMMENDED that:

- A** The Discretionary Business Grants Policy attached as Appendix A to the report is approved.

REASON FOR DECISION

- A** Section 1 of the Localism Act 2011 provides all local authorities the power to make payments of discretionary grants. The Council is required to adopt a Discretionary Grant Policy in order to make grant payments to businesses.

BACKGROUND

Discretionary Business Grants

1. In response to the Coronavirus, Covid 19, the government announced support for small businesses in the retail, hospitality and leisure sectors, delivered through the Small Business Grant Fund and the Retail, Leisure and Hospitality Grant Fund.

2. The Secretary of State for Business, Enterprise & Industrial Strategy announced on 1 May 2020 that the government would make a discretionary business grant fund available to local authorities. The additional discretionary grant fund is aimed at small businesses that were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund.
3. In order to make payment of these additional grants the Council must adopt a Discretionary Business Grant Policy. This policy must set out the circumstances whereby a grant payment may be made by the Council to a business which has not previously qualified for a direct business grant and is suffering a significant fall in income due to Covid 19.
4. Whilst the awarding of grants will be at the total discretion of the Council, the Department of Business, Enterprise & Industrial Strategy (BEIS) has set down criteria which must be met by each business making an application for a discretionary grant. The proposed policy sets out the criteria that BEIS have provided to the Council to determine eligibility, and outlines the approach the Council will take in determining whether an award should be paid or not.
5. Each of the 314 billing authorities currently involved in the delivery of the Small Business Grants Fund and Retail, Hospitality & Leisure Fund will receive a fixed minimum allocation for the Local Authority Discretionary Grant Fund as a five per cent uplift of the value of its in-scope business premises as identified at 3 May 2020. For the Council this equated to funding of £515,000 for discretionary grant payments.
6. Whilst the funding available is fixed, and expenditure cannot exceed it, where Local authorities pay out a higher number of Small Business Grants Fund and Retail, Hospitality & Leisure Grants Fund grants after the 3 May estimate it is anticipated that the initial five per cent allocation will be increased accordingly.
7. It is difficult to estimate with any certainty the number of eligible premises in each category for the discretionary grant as the businesses are not readily identifiable through any records held by the Council, and the Covid 19 lockdown has impeded other options for data collection such as visits to potential shared spaces to establish occupancy.

ISSUES/PROPOSALS

8. Agreement of the Discretionary Grants Policy will enable the funding to be distributed within Harlow, and will provide further financial assistance to local businesses impacted by Covid 19.

IMPLICATIONS

Finance (Includes ICT)

The financial implications are contained within the main report. The Council will, through the application of the policy distribute the available funding provided under the Government scheme..

Author: **Simon Freeman, Deputy to the Chief Executive and Head of Finance & Property**

Housing

The implications are as set out in this report.

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

The Discretionary Grants policy may help stimulate investment in our town centre and neighbourhood areas, which in turn will contribute towards Harlow's economic growth and also to the regeneration of these areas.

Author: **Jane Greer, Head of Community Wellbeing**

Governance (includes HR)

The policy translates the Government's Guidance into good practice, by following the guidance and policy and having a transparent decision making process that does not fetter its discretion to award the discretionary grants will assist in minimising the risk to the Council of legal challenge.

Author: **Simon Hill, Head of Governance**

Planning & Environment

The implications are as set out in this report.

Author: **Andrew Bramidge, Head of Planning and Environment**

Appendices

Appendix A – Discretionary Business Grants Policy

Background Papers

None.

Glossary of terms/abbreviations used

BEIS - Department of Business, Enterprise & Industrial Strategy