

CABINET	AGENDA ITEM No. 5
22 JUNE 2020	PUBLIC REPORT

Report of:	Peter Carpenter, Acting Director of Corporate Resources	
Cabinet Member responsible:	Cllr David Seaton, Cabinet Member for Finance	
Contact Officer:	Peter Carpenter, Acting Director of Corporate Resources	Tel. 452520

EXTENDED SUPPORT TO BUSINESSES AS A RESULT OF THE COVID-19 CORONAVIRUS

R E C O M M E N D A T I O N S	
FROM: Acting Director of Corporate Resources	Deadline date: <i>N/A</i>
It is recommended that Cabinet note the additional Discretionary Grant Payment Scheme being implemented.	

1. ORIGIN OF REPORT

1.1 This report is submitted to Cabinet as a report to note.

2. PURPOSE AND REASON FOR REPORT

2.1 In response to the Coronavirus (COVID-19) pandemic the government have made changes to many aspects of the economy providing support to businesses and individuals in various ways.

2.2 Although the government will fully fund these additional payments and reliefs through the use of grants payments they are for local authorities to administer. The government are not making amendments to the primary legislation governing these payments as they are for one year only and are instead asking authorities to use their discretionary powers to administer them, which is in line with previous schemes albeit on a much smaller scale.

2.3 This report is for the Cabinet to note.

3. TIMESCALES [

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
---	-----------	----------------------------------	------------

4. BACKGROUND AND KEY ISSUES

4.1 In April 2020, the Cabinet Member for Finance approved additional Grants and Reliefs for Business due to the COVID-19 emergency through the Council's Discretionary Scheme. Further Grants are now available and as such they need to be added to the Council's discretionary scheme for payments to be made. The additional grants as requested by government and as set out by the full guidance provided by government departments now includes the additional categories as referred to in paragraphs 4.4 to 4.7 under the Councils discretionary powers.

- 4.2 Officers have been Instructed to ensure that the payments are processed in accordance with the agreed schemes for the qualifying businesses and charities at the earliest opportunity and that any further categories as advised by government to be included within the scheme are also processed at the earliest opportunity.
- 4.3 This report updates Cabinet on progress as this updated discretionary funding will assist the business community in dealing with the costs associated with COVID-19.
- 4.4 At a high level the Council will prioritise grant payments to those organisations who fit within the policy intentions of Central Government and who occupy the following property types:
- Small businesses in shared offices or other flexible workspaces;
 - Regular market traders with fixed building costs, such as rent who do not have their own business rate assessment. The Council would consider these to be traders with a current rental agreement of no less than 6 months;
 - Bed & Breakfast accommodation which pay Council Tax instead of Business Rates;
 - Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.
- 4.5 If funding remains after the initial allocations to those sectors in paragraph 4.4 it will then be allocated to businesses and charities in the following 2 areas:
- Businesses and charities who have supported the Council with its delivery of Coronavirus support to local communities;
 - Businesses and charities who support and/or supply the Retail, Hospitality and Leisure sectors but who are not eligible for grant funding under those schemes.
- 4.6 There will be a defined timeline for receipt of applications under this scheme, applications will not be permitted after the window has closed:
- Applications open – 15/06/2020
 - Application window closed – 26/06/2020
- 4.7 BEIS are providing detailed guidance covering all aspects of the measure including eligibility criteria, funding arrangements, reconciliation processes etc which to be followed when implementing the grant payment.

5. CONSULTATION

- 5.1 Consultation is not required but discussions have been held with the Local Taxation section, and Opportunity Peterborough

6. ANTICIPATED OUTCOMES OR IMPACT

- 6.1 When the measures are agreed, the relevant payments will be processed and the business will see the financial benefit for 2020-21 in order to assist with financial pressures arising from the covid-19 outbreak.

7. REASON FOR THE RECOMMENDATION

- 7.1 Due to the coronavirus outbreak the government have over the last few months, commencing with the Chancellors budget on 11th March with further updates more recently, made significant changes to the level of support they are providing to business within certain sectors.
- 7.2 As the major reliefs are again for one year only the Government is not changing the primary legislation covering the reliefs available to properties. Instead the Government will, in line with the eligibility criteria set out in the guidance, reimburse local authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. The reimbursement to authorities will be provided by payments to be credited to the general fund with grants under section 31 of the Local government Act 2003.

7.3 The effect of the various announcements has resulted in additions to grants already approved for 2020/21:

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 None required.

9. IMPLICATIONS

Financial Implications

9.1 The full details of this revised grant is known and set out in detail in Appendix A. The gross cost of the measures will be significant however the overall net impact on the Councils general fund will be neutral as the government have undertaken to fully fund them. In addition, the government have committed to providing new burdens funding to cover the administrative costs of dealing with these reliefs and grants.

9.2 Estimated payments of this new grant Scheme is £1.47m.

9.3 Awards of relief under these schemes are granted under the discretionary relief scheme which is detailed in s47 Local Government Finance Act, as inserted by Section 69 of the Localism Act 2011.

9.4 Awards of discretionary relief to the rate payers outlined within section 7 of this CMDN are allowed under s47 Local Government Finance Act 1988 (as amended by the Local Government Act 2003) and the Local Government and Rating Act 1997.

Legal Implications

9.5 Included in the detail of the report.

Carbon Impact Assessment

9.6 This is a grant payment to help pay for businesses fixed costs as per Central Government Guidance

10. BACKGROUND DOCUMENTS

10.1 None.

11. APPENDICES

11.1 APPENDIX A – New Discretionary Scheme

This page is intentionally left blank