

**EXTENDED SUPPORT TO BUSINESSES AS A RESULT OF THE COVID-19  
CORONAVIRUS – Additional Restrictions Grant (open)**

**COUNCILLOR DAVID SEATON, CABINET MEMBER FOR FINANCE**

**12 January 2021**

**Deadline date: N/A**

Cabinet Portfolio Holder: Responsible Director:	Councillor David Seaton, Cabinet Member for Finance Peter Carpenter, Corporate Director Resources
Is this a Key Decision?	YES – Urgency Procedures Invoked
Is this decision eligible for call-in?	NO Has this Item been Included on the Forward Plan? NO – Urgency Procedures Invoked
Does this Public report have any annex that contains exempt information?	NO

**R E C O M M E N D A T I O N S**

The Cabinet Member is recommended to:

1. Approve the updates to the Additional Restriction Grant first approved on the 4<sup>th</sup> December 2020 to allow easier application and processing under the councils discretionary powers;
2. Instruct officers to ensure that the payments are processed in accordance with the agreed schemes for the qualifying properties and rebilling takes place 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;

**1. SUMMARY OF MAIN ISSUES**

- 1.1 In response to the coronavirus (COVID-19) the government have made changes to many aspects of the economy providing support to businesses and individuals in various ways. As part of these measures the government are providing support to businesses in a number of ways which are either linked to or directly reduce the business rate liability.
- 1.2 Although the government will fully fund these additional payments and reliefs through the use of grants payments, these are for local authorities to administer. The government are not making amendments to the primary legislation governing these payments as they are for a limited time 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. PURPOSE OF THIS REPORT**

- 2.1 This report is for the Cabinet Member for Finance to consider the various relief and payments to be given to business ratepayers under paragraph 3.4.3 of Part 3, Section 3 of the constitution in accordance with the terms of their portfolio at paragraph (h).

- 2.2 With the approval of the Chairman of Growth, Environment, and Resources Committee, the urgency procedure, special urgency procedure, and waiver of call-in procedure have been invoked to suspend the requirement to publish notice of the decision for 28 days, to suspend the requirement to publish the decision for five days, and to subject the decision to a three day call-in period. These procedures have been invoked due to the nature of the scheme, the receipt of final guidance for its delivery, and the importance of it getting to its intended recipients as quickly as possible who are in financial difficulty due to COVID-19.
- 2.3 The Council initially approved the £4.045m Additional Restrictions Grant in December 2020 but after review have simplified the application process to ensure that as many businesses, and the self-employed can apply as is possible. The Grant extends through to March 2022 and as such the Council still proposes 2 application process, one for this financial year and one for the 2021/22 financial year.

### 3. **TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	<b>N/A</b>
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### 4. **DETAILS OF DECISION REQUIRED**

- 4.1 In December 2020, the Cabinet Member for Finance approved the new Additional Restrictions Grant for Business due to the COVID-19 emergency through the Council's Discretionary Scheme. This report updates that scheme to allow as many businesses and self-employed to apply for funding by a more simplified process as set out in paragraph 7.1.
- 4.2 Instruct officers to ensure that the payments are processed in accordance with the revised scheme for the qualifying properties 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.

### 5. **CONSULTATION**

- 5.1 Consultation has been undertaken with Cabinet, Group Leaders and the Local Taxation section in drafting this updated scheme.

### 6. **ANTICIPATED OUTCOMES**

- 6.1 When the measures are agreed, the relevant payments will be processed and the business will see the financial benefit for 2020-21 and 2021-22 in order to assist with financial pressures arising from the covid-19 outbreak.

### 7. **CHANGES FROM THE EXISTING SCHEME**

- 7.1 The following changes have been made to the initial Additional Restrictions Grant launched in December 2020 to simplify the application process to ensure that as many businesses, and self-employed can apply as is possible:
- a. We have applied percentages to each year to take account of any additional funding that might be made by Government;
  - b. There are now just three levels of Grant;
  - c. We have reduced the lower threshold to £200 to include more businesses;
  - d. We have included definitions for micro, small and medium businesses which do not have a rateable value;
  - e. A simplified supporting documentation definition;
  - f. The revised priority order for applications in Section 32.

Funding allocated to the Council, £4.045m, will be distributed in 2 tranches, one from 5<sup>th</sup> November until the 31<sup>st</sup> March 2021, and the second from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

Applications will be dealt with on a first come first paid basis for each Tranche. When the funding envelope has been used no further payments will be made, even if applications have been received.

- 7.2 For all the grants the respective government departments are providing detailed guidance covering all aspects of the measure including eligibility criteria, funding arrangements, reconciliation processes, etc, which must be followed when implementing the grant payment.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 None have been considered as there are no other realistic options to deal with this issue.

## **9. IMPLICATIONS**

### **Finance**

- 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 Council's 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 estimated at £4.045m.

### **Legal**

- 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.

### **Carbon Impact Assessment**

- 9.5 There are no carbon impact implications to consider.

## **10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED**

None.

## **11. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

- 11.1 There are no additional documents.

## **12. APPENDICES**

- 12.1 Appendix A - Guidance for applications to Peterborough City Council Local Authority Additional Restrictions Grant Fund