

Minutes of Emergency Committee

Meeting Date: Wednesday, 25 November 2020, starting at 5.00pm
Present: Councillor S Atkinson (Chair)

Councillors:

A Brown
S Hore
A Knox

In attendance: Chief Executive, Director of Community Services, Director of Resources, Director of Economic Development and Planning, Head of Revenues and Benefits.

Also in attendance: Councillor Judith Clark.

824 APOLOGIES

There were no apologies for absence from the meeting.

825 DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

There were no declarations of pecuniary and non-pecuniary interest.

826 PUBLIC PARTICIPATION

There was no public participation.

827 ADDITIONAL RESTRICTIONS SUPPORT GRANT SCHEME

The Director of Resources submitted a report asking Committee to agree a scheme for the Additional Restrictions Support Grant (ARG) that had been allocated to the Council to provide support to businesses that had been severely impacted directly by the Tier 3 or National Lockdown restrictions but did not qualify for funding under the Local Restrictions Support Grant schemes.

Local Councils had been given the freedom to determine the eligibility criteria for these grants for which guidance had been issued by the Department for Business, Industry and Strategy (BEIS).

The Director of Resources informed Committee of the intention to launch the scheme as soon as possible and as such set out a suggested approach for the Council's scheme that would need careful consideration by the Committee to ensure it met the Council's priorities in terms of business support.

She outlined the proposed scheme including a timeline for applications being submitted; qualifying periods; eligibility criteria for each period; exclusions; grant levels; supply of evidence; general conditions and managing the risk of fraud. She also explained some of the terms used to clarify the eligibility.

Committee discussed the proposed scheme and suggested a number of amendments including the level of grants to be paid. They confirmed there should be no appeal process for these grants and also requested that canvassing of officers and members would result in an application being disqualified. The Director of Resources would make these amendments before the scheme went live the following day.

An update on the other various business support grants paid was also given.

RESOLVED: That Committee approve the scheme for the Additional Restrictions Support Grants as attached to these minutes.

The meeting closed at 5.55pm

If you have any queries on these minutes please contact Marshal Scott (414440).

Additional Restrictions Grant (ARG)

The Government recognised that some businesses that are required to close may not have rateable commercial premises (and therefore won't be covered by the LRSG scheme), and others won't have been forced to close, but they will be severely impacted due to Local and/or National Lockdown restrictions. As such Local Authorities have been allocated Additional Restrictions Grant (ARG), which will cover businesses that fall into these categories.

This grants scheme is funded by a grant allocation we have received from Central Government and the funds will be administered by the Council in accordance with the guidance <https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-additional-restrictions-grant>

Timeline

Applications for the Additional Restrictions Grant will need to be submitted using the online application form by 31 December 2020.

There will be 2 qualifying periods for these grants;

- **Period 1 Grant**- 44 days in total from 22 September 2020 to 4 November ie the Period that Ribble Valley was in the Tier 2 followed by the Tier 3 Local restrictions
- **Period 2 Grant** - 28 days from 5 November 2020 to 2 December 2020 ie the Period of National Lockdown restrictions.

Businesses may qualify for both Periods of funding or just Period 2 depending on them meeting the eligibility criteria below

Beyond these periods, this policy will be reviewed if a national or localised lockdown is implemented or extended. This grant will not be cover periods of impact before these dates.

Eligibility Criteria

To be eligible for Period 1 Grants

1. Ribble Valley businesses which are on the rating list **and**
 - Supply goods or services to the Hospitality, Leisure and Accommodation sectors but not been legally required to close (and therefore ineligible for the Local Restrictions Support Grant Closed schemes) **and**
 - Were severely impacted by the Tier 2/Tier 3 restrictions
2. Ribble Valley Bed and Breakfast businesses which are not on the rating list but registered for Council Tax and which were severely impacted* by the Tier 2/Tier 3 restrictions

To be eligible for Period 2 Grants:

1. Ribble Valley businesses which are not on the rating list (and are therefore ineligible for the Local Restrictions Support Grant Closed schemes) that occupy premises (with fixed property costs**) and have been legally required to close due to the National Lockdown restrictions,
2. Ribble Valley businesses, with or without rateable premises, which are severely impacted* by business closures caused by the National Lockdown Restrictions **but which may not be required to close themselves**. These businesses will include those that provide products and services to closed businesses in the non-essential retail, hospitality, and leisure sectors, or businesses in the events sector.

* Severely Impacted – A statement will be required from the company showing that at least 50% of their revenue comes from businesses required to close within the defined sectors, and that this will have an impact on their income of at least 30%.

** Fixed Costs – any costs relating to the operation of the business that cannot be cancelled during this period. These could include property costs such as rent for non-rateable commercial premises, utilities, etc. Fixed costs do not include employee costs.

Exclusions to the Additional Restrictions Grant

1. Businesses that are eligible for the Local Restrictions Support Grants
2. Businesses that are able to continue to trade and have suffered a drop in income of less than 30%
3. Businesses that have chosen to close but not been required to will not be eligible for this grant, unless they can demonstrate Severe Impact** through cancelled orders for products and services to closed businesses in the non-essential retail, hospitality, leisure or events sectors.
4. Where a number of businesses share premises with a common ownership, then if approved only one grant (LRSG or ARG) will be awarded.
5. Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the Covid-19 Temporary State Aid Framework.
6. The ARG scheme is not intended to act as a wage support measure for individuals/self-employed.
7. For the avoidance of doubt, businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under this scheme.

Grant Levels

Grants will be awarded on the following basis:

| | Period 1 | |
|---|--|--|
| Rateable Value | 28 Days 22 September 2020 to 19 October 2020 | 16 Days 20 October 2020 to 4 November 2020 |
| Less than or equal to £15,000 | £934 | £534 |
| Greater than £15,000 but less than £51,000 | £1,400 | £800 |
| Greater than or equal to £51,000 | £2,100 | £1,200 |

| For businesses not required to close | Period 2 |
|---|--|
| Rateable Value or equivalent (see below) | 28 Days 5 November 2020 to 2 December 2020 |
| No rateable value and low fixed costs | £500 |
| less than or equal to £15,000 | £934 |
| Greater than £15,000 but less than £51,000 | £1,400 |
| Greater than or equal to £51,000 | £2,100 |

| For businesses legally required to close | Period 2 |
|---|--|
| Rateable Value or equivalent (see below) | 28 Days 5 November 2020 to 2 December 2020 |
| No rateable value and low fixed costs | £500 |
| less than or equal to £15,000 | £1,334 |
| Greater than £15,000 but less than £51,000 | £2,000 |
| Greater than or equal to £51,000 | £3,000 |

For Period 2, where a property does not have a rateable value or is part of a larger rateable value, rents paid, the size of the business to provide a professional judgement by officers on the level of grant that should be applied. For most businesses without a rateable value it is likely the maximum award will be £500.

Evidence

Closed businesses applying for ARG funding will be required to make a statement that confirms their eligibility. The council places responsibility on the applicant to agree that their statement is correct to the best of their knowledge. In addition, businesses that are required to close will need to provide evidence of their trading status. This will be in the form of a bank statement (showing business/applicant's name, registered address with income within the last 3 months).

Open businesses that are applying for ARG funding will be required to make a statement that confirms their eligibility. The council places responsibility on the applicant to agree that their statement is correct to the best of their knowledge. In addition, businesses that are not required to close will need to provide evidence to demonstrate they supply companies that are required to close and an impact on income. This will be in the form of a bank statement (showing the business name or applicant's name, registered address with income within the last 3 months) and an invoice (showing the business name, client name and registered address dated within the last 3 months).

General Conditions

1. Any canvassing of officers or members would result in an application being refused.
2. Businesses approved for funding will receive a one off grant award for the periods denoted under the ARG scheme.
3. The business will need to be trading*** within the Ribble Valley.
4. The business must have been actively trading on and before the day the restrictions commenced.
5. A business that has more than one property will be eligible to submit an application for each actively trading property.
6. Additional Restrictions Grants will be paid subject to State Aid regulations, meaning the business needs to check that they comply with State Aid rules and inform the Local Authority accordingly prior to payment being made. If State Aid rules are breached the responsibility lies with the applicant and, in line with the legislations, the Council can take action to recover the funding.
7. We reserve the right to close the scheme at short notice – potential applicants should apply without delay
8. Unsuccessful applicants will be advised of the outcome of an application by email. There is no right to appeal a decision
9. Payment will be made by BACS into the business bank account using the information provided in the application form.
10. Dependent on demand, we reserve the right to amend the level of grants as necessary. We also reserve the right to change the qualifying criteria at short notice if it feels it is appropriate to do so, reflecting changing circumstances and demand on funds.

***Trading – a business that even if not registered within the borough on Companies House, has a presence in the area and is clearly trading from an address within the borough.

Managing the risk of fraud

Government will not accept deliberate manipulation and fraud and any business caught falsifying their records to gain grant money will face prosecution and any issued funding will be subject to claw back, as may grants paid in error.