

Cheltenham Borough Council
Cabinet – 22 December 2020
Local Restrictions Support Grant (Open)

Accountable member	Councillor Steve Jordan, Cabinet Member Finance and Assets
Accountable officer	Jayne Gilpin, Head of Revenues and Benefits
Ward(s) affected	All
Key/Significant Decision	Yes
Executive summary	<p>On 23 November 2020, the Government announced the Local Tier Restrictions that would be in place from 2nd December 2020, following the 4-week national lockdown due to the COVID-19 pandemic.</p> <p>As part of its support measures the Government is providing Local Restrictions Support Grant (Closed) scheme funding to Councils for business grants to support businesses that are business ratepayers and required to close by law. The funding is being provided in rolling 14-day cycles from 2nd December. Cheltenham has been allocated £15,220.00 in respect of this scheme for the period 2nd December to 19 December 2020.</p> <p>In addition to the Closed scheme, Government has provided Local Restrictions Grant (Open) scheme funding for Councils to support businesses that are able to open but severely impacted by the local tier restrictions from 2 December 2020. Councils can determine the exact eligibility criteria for this scheme. Cheltenham has been allocated £300,037.00 for the period 2nd December to 19 December 2020.</p> <p>On 1 December 2020, the Government also announced the Christmas Support Payment for wet-led pubs in areas under Tier 2 restrictions. A one-off payment will be available to pubs that derive less than 50% of their income from food sales. Cheltenham has been allocated £44,800 in respect of this scheme.</p>
Recommendations	<p>Cabinet is recommended to</p> <ol style="list-style-type: none"> 1. Approve the Local Restrictions Support Grant (Open) Scheme in Appendix 2 2. Delegate authority to the Head of Revenues and Benefits to take decisions relating to applications made under the Local Restrictions Support Grant (Open) Scheme and to delegate authority to the Executive Director Finance and Assets, in consultation with the Cabinet Member Finance

and Assets, to consider and determine any reviews requested in respect of such decisions.

- 3. Authorises the Head of Revenues and Benefits in consultation with the Cabinet Member Finance and Assets to make changes to the Local Restrictions Support Grant (Open) Scheme in line with any changes made by Government, or, as required to ensure the successful operation of the scheme**
- 4. Authorises the Executive Director Finance and Assets, in consultation with the Cabinet Member Finance and Assets to add any further category of businesses as eligible for the Local Restrictions Support Grant (Open) Scheme, if required**
- 5. Note The Local Restrictions Support Grant (Closed) Addendum scheme and delegate authority to the Head of Revenues and Benefits to take decisions relating to applications**
- 6. Note The Christmas Support Payment scheme and delegate authority to the Head of Revenues and Benefits to take decisions relating to applications**

<p>Financial implications</p>	<p>Central Government is providing this Council with funding to support businesses whilst the Tier 2 restrictions are in place. As the restrictions are due to be reviewed on a fortnightly basis the funding is being provided in rolling 14-day cycles.</p> <p>The first tranche of funding in respect of the period 2nd to 19th December 2020 has been made available.</p> <p>£15,022 has been received for The Local Restrictions Support Grant (Closed) scheme. This is a national scheme to support businesses that are business ratepayers and required to close by law. The funding received is 80% of the amount Government estimates will be required. When this threshold of funding has been spent, Government will top up funding to 100%, if required</p> <p>£300,037 has been received for The Local Restrictions Support Grant (Open) scheme. This is to support businesses able to open, but severely impacted by the restrictions. Although this scheme is discretionary, the Government has strongly urged councils to prioritise businesses in the hospitality, hotel, bed and breakfast and leisure sectors. Government has estimated the funding on the number of business rate properties categorised for these sectors, uplifted by 5%.</p> <p>The Government has also introduced a one off Christmas Support Payment of £1000.00 for pubs that derive less than 50% of their income from food sales. £44,800 has been received which is 80% of the amount Government estimates will be required. Again Government will top up this funding to 100%, if required</p> <p>Grants are being made available to businesses in respect of all schemes in line with the Government guidance.</p> <p>New burdens funding will be provided in respect of the administration costs of these schemes.</p> <p>Contact officer: Paul Jones paul.jones@cheltenham.gov.uk, 01242 775154</p>
<p>Legal implications</p>	<p>There are no additional legal implications arising from this report</p> <p>Contact officer:</p> <p>One Legal - legal.services@tewkesbury.gov.uk @tewkesbury.gov.uk 01684 272</p>
<p>HR implications (including learning and organisational development)</p>	<p>There are none associated with this report</p>
<p>Key risks</p>	<p>See appendix 1</p>

Corporate and community plan Implications	The payment of these grants will enable many of our valued businesses to remain trading post COVID-19.
Environmental and climate change implications	None
Property/Asset Implications	There is nothing in this report which impacts on Council properties Contact officer: Dominic.Stead@cheltenham.gov.uk

1. Introduction

1.1 On 23 November 20 the Government announced the Local Tier Restrictions that would be in place from 2nd December 2020, due to the COVID-19 pandemic. Cheltenham with the rest of Gloucestershire has been placed in Tier 2

1.2 At the same time the Government announced funding would be provided to Councils for two business grant support schemes:

- The Local Restrictions Support Grant (Closed) scheme is a national scheme to provide support for businesses forced to close whilst Tier 2 or Tier 3 restrictions are in place.
- The Local Restrictions Support Grant (Open) scheme has been provided to Councils to support businesses in the hospitality, hotel, bed and breakfast and leisure sectors that are open, but severely impacted by Tier 2 or Tier 3 restrictions

1.3 The Government has also introduced a one off Christmas Support Payment of £1,000 to “wet” pubs that derive less than 50% of their income from food sales.

2. The National Schemes

2.1 The Local Restrictions Support Grant (Closed) is a national scheme to provide support for businesses forced to close whilst Tier 2 or Tier 3 restrictions are in place. The scheme will apply to businesses that are business ratepayers.

2.2 Grants will be available to eligible businesses for each 14-day period that Tier 2 or Tier 3 restrictions are in place.

2.3 A relatively small number of businesses will be eligible for this scheme whilst Tier 2 restrictions are in place. Grants will be administered in accordance with the Government guidance. Businesses must complete an application form and provide certain information.

2.4 Cheltenham has received funding of £15,220.00 for this scheme in respect of the period from 2nd to 19th December which is 80% of the amount the Government estimates will be required. The Government will top up this funding if it is insufficient to pay all eligible businesses. Funding will then be made available for subsequent periods. Any unspent funds will need to be returned to Government

2.5 The levels of grant payment to businesses are as follows:

- Businesses occupying properties with a rateable value of exactly £15,000 or under will receive a payment of £667 per 14-day qualifying restriction period
- Businesses occupying properties with a rateable value of over £15,000 and less than £51,000 will receive a payment of £1,000 per 14-day qualifying restriction period
- Businesses occupying properties with a rateable value of exactly £51,000 or above will receive a payment of £1,500 per 14-day qualifying restriction period

2.6 Software updates to enable repeat payments to be made to businesses for every 14-day

rolling period that restrictions are in place are being tested. The application form will be available on the Council's website for eligible businesses to complete from 23 December 2020. Payments will start being made to businesses week commencing 4 January 2021.

2.7 The Government has also introduced a one off Christmas Support Payment of £1,000 to "wet" pubs that derive less than 50% of their income from food sales. Funding of £44,800 has been received which is 80% of the amount the Government estimates will be required and this will be topped up if needed.

2.8 Emails have been sent out to businesses likely to qualify for this asking them to make a declaration by email regarding the level of food sales. Where declarations have been received, the payment will be made before the Christmas break.

3. The Local Restrictions Support Grant (Open) Scheme

3.1 Funding for the Local Restrictions Support Grant (Open) scheme has been provided to Councils to support businesses in the hospitality, hotel, bed and breakfast and leisure sectors that are open, but severely impacted by Tier 2 or Tier 3 restrictions. Grants will be available for each 14-day rolling period that the restrictions are in place.

3.2 Cheltenham has received £300,037 for the period from 2nd December up to 19th December 2020. Government has estimated the funding on the number of business rate properties categorised for these sectors and provided 80% up front. The amount will be topped up if necessary.

3.3 The Local Restrictions Support Grant (Open) scheme in Appendix 2 sets out the Council's approach to support the local economy, by awarding grants to businesses in respect of periods of Tier 2 and Tier 3 restrictions.

3.4 Business grants through this scheme will be provided in accordance with Government guidance. They will be available to businesses as detailed in appendix 2, provided they have been impacted by the restrictions

3.5 Approval is being sought to revise the scheme in line with any revised government guidance or add additional business types, should this be necessary.

3.6 The amount of grant paid will be as follows:

- Businesses occupying properties with a rateable value of exactly £15,000 or under will receive will receive a payment of £467 per 14-day qualifying restriction period
- Businesses occupying properties with a rateable value of over £15,000 and less than £51,000 will receive will receive a payment of £700 per 14-day qualifying restriction period
- Businesses occupying properties with a rateable value of exactly £51,000 or above will receive a payment of £1,050 per 14-day qualifying restriction period

3.7 Once again, software updates to enable repeat payments to be made to businesses for every 14-day rolling period that restrictions are in place are being tested. The application form will be available on the Council's website for eligible businesses to complete from 23 December 2020. Payments will then start being made to businesses week commencing 4 January 2021.

4. Alternative options considered

4.1 None. The Government has made the funding available for Councils to provide support to business

5. Consultation and feedback

5.1 None, the schemes detailed in this report are being provided in accordance with Government guidance.

6. Performance management – monitoring and review

6.1 The number of businesses eligible for grants and the amounts paid will be recorded in the Revenues and Benefits system. The amount of funding allocated will be closely monitored.

6.2 The Department for Business, Energy & Industrial Strategy (BEIS) will require a weekly report on progress in administering grant payments under this scheme and may publish the information.

Report author	Contact officer: Jayne Gilpin, Head of Revenues and Benefits Jayne.gilpin@cheltenham.gov.uk, 01242 264323
Appendices	<ol style="list-style-type: none">1. Risk Assessment2. Local Restrictions support grant (Open) Scheme
Background information	<ol style="list-style-type: none">1. Local Restrictions Support Grant (Closed) applicable 2nd December 2020 onwards, guidance for Local Authorities2. Local Restrictions Support Grant (Open) applicable 2nd December 2020 onwards, guidance for Local Authorities3. Christmas Support Payment for wet-led pubs <p>https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities</p>

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
1	If the scheme is not approved local businesses will not receive the support needed for them to survive	Jayne Gilpin	21/12/2020	3	1	3	Accept	Approve the scheme as detailed in this report and monitor grant awards	23/12/2020	Jayne Gilpin	
Explanatory notes											
<p>Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p>Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p>Control - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											