

# STROUD DISTRICT COUNCIL

## OFFICER DECISION REPORT

<b>Report Title</b>	<b>Additional Restrictions Grant (ARG) 3 – Discretionary Business Grant Scheme</b>			
<b>Purpose of Report</b>	To record the decision made with regards to adopting the scheme			
<b>Decision(s)</b>	<b>A decision has been made to</b>  <b>a. Adopt the Additional Restrictions Grant (ARG) 3 – Discretionary Business Grant Scheme</b>  <b>b. Section 151 officer is authorised to make technical scheme amendments</b>  <b>c. Pool £60,000 to GFirst LEP to support SMEs to trade online</b>			
<b>Consultation and Feedback</b>	Group Leaders of all four parties have been consulted together with the Chief Executive and Section 151 officer			
<b>Report Author</b>	Simon Killen Revenue and Benefits Manager Email: <a href="mailto:simon.killen@stroud.gov.uk">simon.killen@stroud.gov.uk</a>			
<b>Options</b>	None			
<b>Background Papers</b>	Government Guidance <a href="https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities">https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities</a>			
<b>Appendices</b>	Appendix A - Additional Restrictions Grant (ARG) 3 – Discretionary Business Grant Scheme			
<b>Implications (further details at the end of the report)</b>	<b>Financial</b>	<b>Legal</b>	<b>Equality</b>	<b>Environmental</b>
	Yes	Yes	No	No

### 1. Background to the Additional Restrictions Grant

- 1.1 The ARG is the discretionary business support fund introduced by Central Government for local authorities. It was first awarded to SDC in the second national lockdown period and a policy was put in place to distribute.

1.2 The ARG was continued from December 31<sup>st</sup> 2020 – January 4<sup>th</sup> 2021 whilst Gloucestershire was in Tier 4 and then a further payment was to February 15<sup>th</sup> was introduced with the new national lockdown. We have recently invited applications for this period up to mid-February.

1.3 The allocations awarded to SDC to date are in the table below.

	Allocation
“Lockdown 2”	£2,399,280
December Tiers	£1,065,646
<b>Total</b>	<b>£3,464,296</b>

1.3 Funding is to last until March 2022 and can be rolled forward into the 2021/22 financial year. Guidance has recently been released by Central Government that where authorities have committed 100% of their allocations by the of June 2021 they will be eligible for a further round of ARG funding. The revisions to this scheme in the report have been considered in the light of the need to commit the existing allocations in the next few months.

1.4 The ARG is discretionary in nature and is intended to support businesses through this time of severe economic stress. Local Authorities have the freedom to decide their own policies and determine how the money is spent.

1.5 At the time of writing SDC has awarded £580,891 in funding from the first two rounds of ARG applications.

## 2. Proposal

2.1 Further revisions have been made to the scheme in the light of the advantages offered in committing all of the existing funding by June 2021. The previous design of the scheme allowed for the first two tranches to be available throughout the 2021/22 year.

2.2 The following changes have been made to the scheme to increase the eligibility and award levels of the scheme.

Businesses that qualified and were paid an Additional Restrictions grant covering the national restrictions to 15 February, will receive a further payment plus a one off top up award.

Businesses that qualified and have received payment under the Local Restrictions Support Grant (Closed) Addendum during January/February national restrictions, will receive a one off top up award.

2.3 In considering these changes officers have worked across the Revenues and Benefits and Economic Development teams to consider where changes would be most beneficial to the Community in Stroud. This has included consideration of feedback

received from previous versions of the ARG and more direct liaison with the business community, including the Market Towns Forums which have been held during the pandemic.

- 2.4 In order to try and provide further business support for SMEs within the County GFirst LEP have put together a proposal to help SMEs do business online. The plan is to set up and run a campaign that would include running virtual seminars encouraging businesses to go online for the first time or to improve their online facilities eg to set up E-commerce. Small grants of up to £3,000 would be made available to pay towards setting up a brand new or an enhanced website. This scheme would qualify for support through the ARG.
- 2.5 To successfully receive a grant, the business owner would need to attend at least one workshop (eg social media, brand management, cyber awareness etc) and a diagnostic would be undertaken by a Growth Hub Business Navigator for due diligence purposes and to establish their need. There is therefore a complete package of support.
- 2.6 The total cost of the project is estimated at £360,000 to be divided equally amongst the six Gloucestershire districts with an aim to pay 100 grants of £3,000. The remaining funding will go on the administration costs of the scheme. No District will subsidise grants awarded outside of their local area. There is a key role for each District to play in effective communication and promotion of the scheme to their local businesses and the LEP will work closely with Councils to achieve this.

### **3. Award Levels**

- 3.1 New Applications - The council has decided the following grant award levels:
  - (a) Businesses occupying properties with a rateable value of exactly £15,000 or under, or with fixed annual ongoing business related costs of exactly £15,000 or under, a payment of £2,001
  - (b) Businesses occupying properties with a rateable value of over £15,000 and less than £51,000 or with fixed annual on-going business related costs of over £15,000 and less than £51,000 a payment of £3,000:
  - (c) Businesses occupying properties with a rateable value of exactly £51,000 or above, or with fixed annual ongoing business related costs of £51,000 or above, a payment of £4,500.

3.2 Recipients of Additional Restrictions Grant – The council has decided the following grant award levels:

- (a) Businesses occupying properties with a rateable value of exactly £15,000 or under, or with fixed annual ongoing business related costs of exactly £15,000 or under, a payment of £2,001 plus a one off top up award of £2,001
- (b) Businesses occupying properties with a rateable value of over £15,000 and less than £51,000 or with fixed annual on-going business related costs of over £15,000 and less than £51,000 a payment of £3,000 plus a one off top up award of £3,000:
- (c) Businesses occupying properties with a rateable value of exactly £51,000 or above, or with fixed annual ongoing business related costs of £51,000 or above, a payment of £4,500 plus a one off top up award of £4,500

3.3 Recipients of Local Restrictions Support Grant (Closed) Addendum – The council has decided the following award levels:

- (a) Businesses occupying properties with a rateable value of exactly £15,000 or under, or with fixed annual ongoing business related costs of exactly £15,000 or under, a payment of up to £1,501:
- (b) Businesses occupying properties with a rateable value of over £15,000 and less than £51,000 or with fixed annual on-going business related costs of over £15,000 and less than £51,000 a payment of up to £2,250:
- (c) Businesses occupying properties with a rateable value of exactly £51,000 or above, or with fixed annual ongoing business related costs of £51,000 or above, a payment of up to £3,375.

Only one payment will be made in respect of the period of national Restriction for the period 16 February 2021 to 31 March 2021.

#### **4. Excluded businesses**

The following businesses will not be eligible for an award:

- (a) Businesses in areas outside the scope of the localised restrictions, as defined by Government and not subject to a widespread national restriction;
- (b) 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; and
- (c) Businesses that were in administration, are insolvent or where a striking-off notice has been made at the date of the local restriction or widespread national restriction.
- (d) The council reserves the right to withhold payment and has discretion to determine which businesses to support

**5. Recommendation**

The scheme is adopted and implemented by Stroud District Council with immediate effect.

**6. Financial Implications**

The scheme is fully funded by central government

Andrew Cummings – Strategic Director of Resources

Email: [andrew.cummings@stroud.gov.uk](mailto:andrew.cummings@stroud.gov.uk)

**7. Legal Implications**

This is a discretionary scheme to apply funding provided by Central Government and the discretionary element is covered by a policy which has been drafted by officers based on government guidance. Officers will need to apply the policy when administering grants, but a discretionary policy should not be treated as a rigid or strict rule and every case will be assessed on its particular circumstances.

Patrick Arran – Interim Head of Legal Services and Monitoring Officer

Email: [patrick.arran@stroud.gov.uk](mailto:patrick.arran@stroud.gov.uk)

**8. Equality Implications**

There are not any specific changes to service delivery proposed within this decision.

**9. Environmental Implications**

There are no significant implications within this category