

<b>Report of:</b>	<i>Director of Finance – Ian Wright Executive Member for Finance &amp; Governance – Councillor Chris Hobson</i>
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<b>Submitted to:</b>	<i>Individual Executive Meeting on 2 December 20</i>
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<b>Subject:</b>	<i>Local Restrictions Support Grant (LRSG) (Open)</i>
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**Summary**

<b>Proposed decision(s)</b>
<p>The Executive Member for Finance &amp; Governance approves the following:-</p> <ul style="list-style-type: none"> <li>• The LRSG (Open) Discretionary Payments Scheme in response to the announcement by Central Government on 22 October. This is support for businesses that were not legally required to close but which were severely impacted by the LCAL 2 or 3 localised restrictions when imposed on Middlesbrough.</li> <li>• That the Section 151 Officer be given delegated authority to approve any future modifications required to the scheme/policy.</li> </ul>

<b>Report for:</b>	<b>Key decision:</b>	<b>Confidential:</b>	<b>Is the report urgent?<sup>1</sup></b>
<i>Decision</i>	<i>Yes</i>	<i>No</i>	<i>Yes</i>

<b>Contribution to delivery of the 2020-23 Strategic Plan</b>		
<b>People</b>	<b>Place</b>	<b>Business</b>
<i>Supporting businesses and sole traders in response to recent Central Government COVID-19 initiatives.</i>	<i>Support to Middlesbrough’s local economy</i>	<i>It is important to ensure businesses in Middlesbrough receive the support intended by Central Government through COVID-19 initiatives.</i>

<b>Ward(s) affected</b>
<i>All wards are potentially affected</i>

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## **What is the purpose of this report?**

1. This report seeks approval for the LRSG (Open) Discretionary Payments Scheme as part of the overall Local Restrictions Support Grant Funds

## **Why does this report require a Member decision?**

2. The introduction of a discretionary policy (that uses a framework provided by Central Government recommended guidelines) requires Member approval

## **Report Background**

3. The LRSG (Open) scheme applies where local restrictions either under LCAL2 (High) or LCAL3 (Very High) are put in place after 1<sup>st</sup> August 2020.
4. The scheme applies to 20/21 financial year only.
5. Central Government has provided local authorities with guidance outlining the type of business that they consider to be a priority in terms of allocating grant payments.
6. The scheme is aimed at hospitality, hotel, bed and breakfast and leisure businesses.
7. The grant support amount awarded for the business is based on businesses occupying hereditaments in the local rating list (see policy paper paragraph 4.1 for full details).
8. For those without a local rating list entry, awards will be based on annual rental value (see policy paper paragraph 4.2 for full details).
9. Eligible businesses will need to demonstrate that they have been severely impacted by the Covid restrictions whilst they continued trading, through fixed property-related costs and a significant fall in income. This will need to be evidenced through a variety of measures including company accounts, bank statements and/or lease information.
10. Businesses must be established and trading on the day prior to the introduction of LCAL 2 or LCAL type 3 restrictions.
11. The Local Authority will be funded to continue to provide support to severely impacted businesses under this scheme if restrictions continue under Local Covid Alert Level 2 or 3 after National Lockdown ends on the 2 December.
12. The local authority is able to exercise local knowledge and existing database records to estimate a number of cases that might be eligible. From information gathered it is anticipated that c. 300 businesses could fall within the priority group that has available grant funding of £325,584.

13. An online application process will be made available on the Council website to invite applications from eligible businesses. The grant will be promoted as appropriate through a range of appropriate platforms including the Council's social media channels, website, press and business networks.

**What decision(s) are being asked for?**

The Executive Member for Finance & Governance approves the following:-

14. The LRS (Open) Discretionary Payments Scheme in response to the announcement by Central Government on 22 October 2020. The scheme is designed to support businesses that were not legally required to close and have been severely impacted by the Covid Alert LCAL 2 or 3 localised restrictions imposed on Middlesbrough.

15. That the Section 151 Officer be given delegated authority to approve any future modifications to the scheme/policy.

**Why is this being recommended?**

16. Central Government is providing funding and guidance with an expectation that Local Authorities will provide financial support to local businesses.

**Other potential decisions and why these have not been recommended**

17. Central Government are providing funding to all Councils with an expectation that this funding will be distributed in line with government guidance and on that basis no other options have been considered.

**Impact(s) of recommended decision(s)**

***Legal***

18. There are no legal implications regarding this report.

***Financial***

19. The cost of the scheme has been provided for by funding made available from Central Government. Claims can only be paid against the funding allocation. Once the funds have been committed/spent, there will be no further support provided.

***Policy Framework***

20. N/A

***Equality and Diversity***

21. N/A

***Risk***

22. There is no financial risk to the Council as all discretionary payments will be funded by support provided by Central Government.

## **Actions to be taken to implement the decision(s)**

23. That the Executive for Finance and Governance agrees the Local Restrictions Support Grant (LRSG) (Open) Discretionary Scheme.

## **Appendices**

Middlesbrough Council Local Restrictions Support Grant (Open) Scheme Policy

## **Background papers**

N/A

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