

## OFFICER DELEGATED DECISIONS FORM

**State the Delegated Authority that you are relying on in order to make this decision:** e.g. specific (identified in constitution) or general

Following approval at the Individual Executive Meeting on the 10 December 2020, delegated authority to approve modifications to the Additional Restrictions Grant (ARG) Scheme was given to the Section 151 Officer.

**Subject of decision:** *Additional Restrictions Grant (January 2022)*

The Additional Restrictions Grant (ARG) Scheme is the means by which the council is able to deliver the business support announcement by Central Government on 31 October 2020. The scheme provides essential financial support to businesses who have not been able to access it through other Local Restrictions Support Grant schemes or more recently have been impacted by the spread of the Omicron variant.

Being a discretionary scheme, strict eligibility criteria were initially set to limit the number of awards. Alterations to the scheme have been necessary (a) to enable funds to be spent (b) to keep pace with the direction set by Central Government announcement (c) to support the local economy and the town's priorities.

**Text of decision:** e.g. can include monies received by the Council, list any terms agreed, brief summary of the policy – Do not include any confidential information.

The top up ARG announced on 21 December 2021 by HM Government in response to the Omicron variant is confirmed, with an additional allocation of £149,015.27. Combined with the existing allocation the proposed changes to the scheme will allow additional awards to be made and existing funds to be effectively targeted.

The 'top up' allocation of £149,015.27 will be targeted towards sectors impacted by the Omicron variant. The existing ARG allocation will be directed towards continued business recovery through Strategic Business Grants now that the existing application phase has drawn to a close and demand has declined.

The Council reserves the right to re-allocate budget funds between Omicron support and Strategic Business Grants according to demand and local economic need/factors.

The following changes to the scheme should be read in addition/conjunction to those in the Additional Restrictions Grant Scheme Policy (noting additional Officer Delegation amends). The alterations/amendments to the scheme are effective from 17 January 2022 and will be subject to review where necessary.

The ARG will enable hospitality and leisure businesses that are ineligible to an award from the Omicron Hospitality and Leisure Grant (OHLG) scheme to be supported along with targeted sectors impacted locally by the spread of the Omicron variant. Grants will also be targeted towards growth and recovery which remains key to providing sustainable long term benefit to the local economy.

With this in mind remaining ARG funds will be refocused towards:

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**Strategic Business Grants (SBG)** – Payments of up to £50k targeted to Middlesbrough businesses that directly link with the Council's Strategic Plan (2021-2024), the Middlesbrough Mayor's priorities, Middlesbrough Digital Enterprise Zone (2017) and the Tees Valley Strategic Economic Plan (2016-2026). Businesses will be required to demonstrate their existing presence and/or potential for expansion directly meets the scale and scope of the Councils corporate strategic aims (reference ARG Officer delegation 18.5.21). Previous recipients of an SBG are excluded from reapplying.

### **ARG Omicron -**

Eligible Sectors include (evidence based in order to qualify):

- Hospitality & leisure defined as part of the OHLG guidance that have been specifically excluded from applying to the OHLG scheme (e.g. gyms)
- Personal Care defined as hairdressing, barbers, beauty, professional make up services (commercial premises based)
- Wedding/Events Co-ordinators (commercial or domestic premises based)
- Audio Visual Entertainment (commercial or domestic premises based)
- Supply chain businesses that specifically support hospitality & leisure sector (commercial or domestic premises based)
- Travel consultants & tour co-ordinators (commercial or domestic premises based)
- Language schools (commercial based)
- Car part/bodywork repair garages (commercial based)
- Private nurseries (commercial based)
- Catering businesses (commercial based)
- taxi operators & mini bus hire (commercial based)
- Riding therapy centres (commercial based)
- Taxi drivers & driving instructors (domestic premises, fixed costs evidence essential. Awards are capped at £500 per driver/business).

In addition where a business falls within the above eligibility criteria and there is evidence of rejection by another Local Authority due to a difference in approaches or other genuine reason, Middlesbrough Council reserves the right to make an award. The application must satisfy our scheme tests and domiciled in Middlesbrough local authority area.

Businesses with commercial premises or other substantial fixed costs will be able to apply. Businesses in the startup phase and new to trading with a commercial premises liability are eligible if they can demonstrate active trading.

The amount of the award will be determined primarily by the rateable value of the

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premises or if this is not available the annual rental value. Fixed costs evidence will be required where a rateable or rental value is not evident. In home based circumstances the Council must be satisfied that the business falls within the eligibility criteria and can evidence significant fixed costs relating to the business.

This scheme is not designed to cover loss of earnings, wages or personal income. Home based businesses will be required to declare this as part of their application.

Outcomes of the ARG scheme include:

- Strengthened local economy
- Resilience within the marketplace
- Safeguarding of jobs
- Viable business base
- Potential to avoid increased business rates bad debt.
- Reduced decline in commercial unit occupancy rates
- Visible improvements to the high street.

Simple eligibility criteria and conditions will allow businesses to access fair and proportionate grant awards that mirror the OHLG scheme with one off grants of up to £6K.

Awards:

- Businesses with a rateable value of exactly £15,000 or under on 30 December 2021 will receive a payment of £2,667
- Businesses with a rateable value over £15,000 and less than £51,000 on 30 December 2021 will receive a payment of £4,000
- Businesses with a rateable value of exactly £51,000 or over on 30 December 2021 will receive a payment of £6,000

Where the above do not apply, grants will be awarded based on the annual rental value using the same rates. Where significant fixed costs only are used to determine an award the payment will be a flat rate of £1334. Taxi drivers & driving instructors based in domestic premises must provide significant fixed costs evidence (e.g. vehicle lease, vehicle insurance, rental). Payments capped at £500 per driver/business.

Eligible criteria includes:

- Businesses in start-up phase able to demonstrate active trading and liability for commercial premises
- Businesses located within business premises on a full commercial basis i.e. liable for rates or rent or with significant fixed costs if home based
- The business is based within the Middlesbrough local authority area
- Businesses that have not received approved/recognised business agency support or recovery planning support will be encouraged to link with Middlesbrough Council's Business Recovery Officer to enhance business sustainability

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- Ability to demonstrate that business operations continue to be impacted by the Covid 19 pandemic. For example the business has not returned to pre pandemic capacity levels or operations continue to be impacted through the recent Omicron variant. Impacts could include financial; delay in locating suitable premises, reduced footfall, staffing reductions/isolations “pingdemic”, recruitment issues; growth plans impacted.
- The business must have a suitable business bank account or provide evidence of business activity through a nominated account in the same name as the business applicant
- Previous recipients of the Covid / ARG support grants may apply
- The business must pass the pre-payment assurance grant checks

### Exclusions:

- National retailers
- Retail
- Businesses seeking support for wage/staffing costs
- Amusement Arcades
- Adult Gaming & Gambling centres
- Fast Food
- Takeaways
- Banks/Financial Institutions
- Businesses with multiple linked branches
- Franchises
- Businesses that rent a chair or operate within a small space of an existing business operation
- Market traders
- Businesses already in receipt of or in the application process of the following 20/21 Middlesbrough Council Grant Schemes:
  - Strategic Business Grant
  - Heritage Action Zone Development Funding
- Property Developers and Commercial Property Landlords
- Personal trainers providing sessions on a 1-1 or group basis
- Wage subsidy /staff costs and personal income

Applications will be subject to pre-payment assurance checks and assessed regularly. The scheme will close on 31 March 2022, all applications must be received by the 17<sup>th</sup> March 2022 to allow time for pre-payment assurance checks, decision and payment.

Awards will be successful where the assessing team is satisfied that the applicant meets the criteria and the evidence provided is appropriate and relevant. The decision of the assessing team is final.

Spend will be monitored weekly and scheme eligibility will be reviewed to ensure it continues to meet local economy needs. Funds are limited, applications will be processed on a ‘first come first served’ basis and applications must be submitted with all of the relevant supporting information otherwise the application will be

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declined.
<b>Reason for Decision</b>
Alterations to the scheme have been necessary (a) to enable funds to be spent (b) to keep pace with the direction set by Central Government announcement.
<b>Other options considered (if any)</b>
NA
<b>Has an Impact Assessment been completed Yes/No – if yes please attach to the decision.</b>
No
<b>Declarations of Interest by any member or relevant local government body</b>
N/A
<b>Who have you consulted as part of the decision making process e.g. Head of Service, Executive Member, Community Association, Surveyor?</b>
N/A
<b>Date of decision</b>
21.1.22
<b>Service area</b>
Finance Directorate.
<b>Name of Delegated Officer making decision - i.e. Officer who is designated the</b>

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power in the Constitution
Mr Ian Wright, Director of Finance and Section 151 Officer.
<b>Name of the Officer making the decision – if power has been sub-delegated to another Officer.</b>
NA.
<b>List of background papers</b> (do not list if contain exempt/confidential information)
<b>Signed:</b> 