

Report to: Leader of the Council

Date: 14 January 2022

Title: Omicron Hospitality and Leisure Grant

Report of: Tim Whelan, Director of Service Delivery

Cabinet member: Councillor David Tutt

Ward(s): All

Purpose of report: To consider the attached Omicron Hospitality and Leisure Policy for businesses impacted by the rise of the Omicron variant.

Decision type: Key decision

Officer recommendation(s): (1) The Leader of the Council approves the Policy as set out in Appendix 1

(2) To grant the Director of Service Delivery delegated authority, to implement, and if necessary, amend the policy (in consultation with the Leader), such delegated authority to include any measures necessary for or incidental to its management and administration

Reasons for recommendations: Cabinet approval is required for the Omicron Hospitality and Leisure policy which will be used for the purposes of administering the scheme

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1 Introduction

- 1.1 On 21 December 2021 the Government introduced new additional grant support measures for hospitality and leisure businesses.
- 1.2 The scheme only applies to hospitality and Leisure sectors in recognition that the rise in the Omicron variant means that some businesses are likely to struggle in the coming weeks.
- 1.3 The Council is fully aware of the importance of these grants to assist businesses and the scheme will offer further support to businesses who are struggling to survive during the COVID-19 crisis.

2 Proposed scheme

- 2.1 Government, whilst wanting councils to exercise their local knowledge and discretion, has strongly suggested that the Council follow their criteria for the awards.
- 2.2 The Council will only consider businesses for grants where all of the criteria are met.
- 2.3 Businesses that are eligible are those that:
- a) are liable for non-domestic rates and have premises on the local rating list on 30 December 2021
 - b) the property must be occupied on 30 December 2021
 - c) the business must be trading on 30 December 2021
 - d) the business must fall into scope as hospitality, leisure and accommodation as defined within the policy
- 2.4 Businesses will only be eligible where their main service falls within hospitality, leisure or accommodation, and falls into another category, the main service can be determined by assessing which category constitutes 50% or more of the businesses overall income. The main service principle will determine whether a business receives funding. Businesses will need to declare which is their main service.
- 2.5 The grant is a one-off grant as follows:
- Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £15,000 or under on 30 December 2021 will receive a payment of £2,667
 - Businesses occupying hereditaments appearing on the local rating list with a rateable value over £15,000 and less than £51,000 on 30 December 2021 will receive a payment of £4,000
 - Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £51,000 or over on 30 December 2021 will receive a payment of £6,000
- 2.6 Applications will be made online through the Council grant portal to enable efficient management and processing as well as reducing the risk of fraud by automatic liability checking and validation of the application against the business rates database, companies house, commercial credit bureau data and previous COVID business grants data already stored on the portal.
- 2.7 Payments will be made to businesses via BACS within 4 working days of receipt of a received application.

3 Financial implications

- 3.1 The Department for Business, Energy and Industrial Strategy have confirmed the funding allocation will be paid under Section 31 of the Local Government Finance Act 2003.

3.2 The Council will shortly be notified of the funding allocation it will receive and payments will be made to eligible businesses as soon as the funds have been remitted by the Department for Business, Energy and Industrial Strategy to the Council.

4 Consultation

4.1 This additional funding has been made available by Government as an emergency measure to support businesses. Time does not permit business consultation as awards need to be made urgently, but awards will be made in accordance with existing and future government guidance and the delegation sought permits the scheme to be adjusted if that is found to be necessary or desirable.

5 Legal Implications

5.1 This is a new scheme which needs to be implemented as a matter of urgency and so executive approval for the scheme is being sought from the Leader. The Leader is being asked to authorise the Director of Service Delivery to implement and administer the scheme as there is no existing officer delegation in place. The Director of Service Delivery and the Chief Finance Officer have previously been given delegated powers to administer similar schemes such as determining entitlement to rate relief and determining applications for housing, council tax and similar benefits.

5.2 Any awards are subject to subsidy limits. The EU state aid rules no longer apply to subsidies granted in the UK following the end of the transition period.

5.3 The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.

5.4 The Council can still pay out subsidies under previously approved schemes and this includes subsidies related to COVID-19 that have previously been given under the EU state aid temporary framework.

6 Risk management implications

6.1 There is a risk that, without a scheme in place, the Council would be unable to pay grants to eligible businesses in a timely manner which could result in further financial hardship or dissolution of the business. Failure to distribute the support to businesses could cause reputational damage to the council.

7 Equality analysis

7.1 None has been undertaken for the reasons set out above i.e. this is an emergency grant award. However, payments will be made in accordance with government guidance and consistency of approach is being secured through the adoption of a countywide scheme.

7.2 It is our view that the policy is robust and shows no potential for discrimination.

8 Conclusions

8.1 The impact of Covid-19 continues into 2022 and the Government expects local authorities to have in place arrangements to administer and pay grants to businesses as quickly as possible.

9 Appendices

- Appendix 1 – Omicron Hospitality and Leisure Grant Scheme

10 Background papers

The background papers used in compiling this report were as follows:

- Omicron Hospitality and Leisure Grant guidance

<https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>