

REPORT TO: Employment Learning & Skills and
Community Policy and Performance Board

DATE: 21 September 2020

REPORTING OFFICER: Strategic Director – Enterprise, Community
and Resources

PORTFOLIO: Economic Development

SUBJECT: Covid19 – Local Authority Discretionary
Grant Fund (LADGF)

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 The impact of the Coronavirus is being felt in our communities in many different ways, and Halton’s businesses have been severely affected with many losing several months of trade and some are still not fully operational. This report sets out how the LADGF provided by Central Government has gone some way to support local businesses.

2.0 RECOMMENDATION: That

- 1) the report be noted; and**
- 2) The Board considers the information presented and raise any questions of interest or points of clarification following the presentation.**

3.0 SUPPORTING INFORMATION

3.1 LADGF

During Lockdown, the Business Improvement and Growth Team collated all current government advice to businesses into a single resource for use by Council colleagues and developed dedicated resource packs for specific target groups, for example the self-employed. The team sends a fortnightly (weekly until August 2020) e-shot to 2,500 local businesses containing up to date information about business support during the current crisis. The team has managed more than a thousand calls from local businesses in distress, with a large proportion of enquiries concerned about eligibility for support through the Business Rates system or other government backed schemes.

3.2 In addition the Council, designed, administered and delivered the LADGF. The scheme targeted businesses that were not able to access

previous grant schemes but had property costs and had been significantly impacted by Covid-19. Government's criteria is:

- A business must be a solvent business that was trading on 11th March 2020;
- Should be a small or micro company;
- Have ongoing property costs;
- Has been significantly financially affected by Covid-19;
- Has not received other relevant grant support from Central Government apart from the Furlough Scheme;

Halton's scheme's eligibility is focused on the following themes:

1. Shared Space Grant
2. Charitable Sector Support Grant
3. Bed & Breakfast Support Grant
4. Businesses either working from home and/or other locally owned businesses in other premises

The scheme was open to applications between 1 June and 19 July 2020 and came to a financial close on 24 August 2020. Ahead of the Government's deadline of 28 August, due to the fact we successfully delivered the LADGF.

- 3.3** The Halton Borough Council delivered grants worth £831,250 on behalf of Central Government. In the Borough, we have approximately 1,500 business who have not received any Covid Government Funding whatsoever; therefore, the Council took the decision to support as many businesses as possible by providing smaller grants. The demand for funds outweighed the actual amount of money provided to the Council and many businesses did not receive any grant at all. The Council received 269 Applications, of which 163 businesses were awarded grants. The grants ranged from £2,500 up to £10,000 subject to the new of employees.

<u>TOTAL BY CATEGORY</u>		<u>£</u>	<u>APPLICANTS</u>
Charitable Sector Support Grant	1	45,000.00	7
Bed & Breakfast Support Grant	2	7,500.00	3
Shared Space Grant	3	255,000.00	52
WFH / Locally-owned other premises	4	523,750.00	101
		831,250.00	163

- 3.4** The Council has received some very positive feedback from businesses who were successful: ***"I would like to thank you with all my heart - as a business owner this means so much to us"*** and ***"Thank you so much, I really am delighted. I was just about to try***

and sleep, worrying out of my mind about my business finances. You really don't know what this means for me and my staff".

3.5 However, given the Government criteria set out in paragraph 3.2 and the limited amount of funding, only 5% of the original business rates grant total, a large number of business were hugely disappointed to find they had been unsuccessful. In addition, we have received feedback from businesses who received a grant: ***"Could you please let me know why did you grant our business only £5k, as far as I know grants should be between £10k to £25k? Could you please clarify this for me as we were expecting the minimum of grants that is £10k as we are really struggling recently with paying our expenses as an outcome of this Covid-19 situation and drop of business"***.

3.6 The grants have provided vital support to Businesses in need. However, there continue to be gaps in the Governments provision of Covid-19 support and still some business have missed out.

4.0 POLICY IMPLICATIONS

4.1 The LADGF was designed to be accessible and inclusive for all businesses. The grant process worked well and whilst colleagues were inundated with applications and collecting further information, it was a success.

5.0 FINANCIAL IMPLICATIONS

5.1 Government funding provided the grant. The Council provided the administrative resources.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None

6.2 Employment, Learning and Skills in Halton

The aim of the grants was to support businesses and to enable them to retain employees.

6.3 A Healthy Halton

None

6.4 A Safer Halton

None

6.5 Halton's Urban Renewal

None

7.0 RISK ANALYSIS

Prepared by the Team and checked Audit.

8.0 EQUALITY AND DIVERSITY ISSUES

None

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

9.1 There are no background papers under the meaning of the Act.