

additional papers 2



Council

Mon 22 Jun
2020
7.00 pm

Skype
Virtual Meeting

REDDITCH BOROUGH COUNCIL

*making
a
difference*

www.redditchbc.gov.uk

**If you have any queries on this Agenda please contact
Jess Bayley**

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Agenda

Membership:

Cllrs:	Michael Chalk (Mayor)	Julian Grubb
	Gareth Prosser (Deputy Mayor)	Bill Hartnett
	Salman Akbar	Pattie Hill
	Joe Baker	Ann Isherwood
	Tom Baker-Price	Wanda King
	Roger Bennett	Anthony Lovell
	Joanne Beecham	Gemma Monaco
	Juliet Brunner	Nyear Nazir
	Debbie Chance	Mike Rouse
	Greg Chance	Mark Shurmer
	Brandon Clayton	Yvonne Smith
	Matthew Dormer	David Thain
	John Fisher	Craig Warhurst
	Peter Fleming	Jennifer Wheeler
	Andrew Fry	

9. The Leader's Appointments (Pages 1 - 2)

The Leader of the Council decides how the executive powers of the Council will be carried out. Currently, executive decisions are taken by the Executive Committee. The Leader also allocates portfolios and will announce arrangements for these for the coming year.

The Leader's list of appointments has been attached.

10. Appointment of Committees, Panels etc. and their Chairs and Vice Chairs (Pages 3 - 8)

The list of nominations from each political group to the Council's Committees has been attached.

11. Outside Bodies (Pages 9 - 18)

The final list of nominations to the outside bodies from each political group has been attached.

13. Urgent Business - Record of Decisions (Pages 19 - 56)

The following urgent decision has been taken since the main agenda for this meeting was published in accordance with the Council's Urgency Procedure Rules (Part 2, Paragraph 7 and Part 9, Paragraph 5 of the Constitution), as specified:

- f) Discretionary Business Grants Policy – the urgent decision and supporting papers have been attached for noting.

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Annual Meeting of the Council

22nd June 2020

LEADER APPOINTMENTS

(and places from outside the controlling group)

EXECUTIVE COMMITTEE

Chair: Leader of the Council by office – Councillor Matthew Dormer

Vice-Chair: Deputy Leader by office – Councillor Mike Rouse

Councillors: 9 = 7+2 – not required to be proportional

Conservative – Councillors Brandon Clayton, Anthony Lovell, Nyear Nazir, David Thain and Craig Warhurst.

Labour – Councillors Greg Chance and Bill Hartnett

Cannot be members of O&S Committees

Named

Substitutes: Not permitted.

Annual Meeting of the Council

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Portfolio Holders (7)

Numbers of Portfolios and range of services covered are reviewable annually.

Leader of the Council and Portfolio Holder for Planning, Economic Development, Commercialism and Partnerships – Councillor Matthew Dormer – aligned to run and grow a successful business – covering planning and land use, economic development, commercialism (including local authority trading companies), asset management, key partnerships, grants and the lottery.

Portfolio Holder for Finance and Enabling – Councillor David Thain – Aligned to Enabling Services covering Finance, Audit, Revenue and Benefits, governance, human resources and customer services.

Portfolio Holder for Community Services and Regulatory Services – Councillor – Nyear Nazir - aligned to communities which are safe, well maintained and green and aspiration, work and financial independence – community safety, crime and disorder, safer communities, regulatory services, public transport, children, youth, children’s centres, corporate parenting and health, emergency planning and enforcement.

Portfolio Holder for Environmental Services – Councillor Brandon Clayton – aligned to communities which are safe, well maintained and green – covering Licensing impacts, better environment, cleansing and waste management, landscaping including trees, woodland and grounds maintenance, sustainability and bereavement services.

Portfolio Holder for Leisure – Councillor Mike Rouse– aligned to living independent, active and healthy lives– covering culture and recreation, management of facilities including sports centres, theatres and community centres, parks and open spaces strategy including allotments, playing pitches and play areas, sports, arts, physical activity and development, community training, education, learning and skills and IT.

Portfolio Holder for Housing and Procurement – Councillor Craig Warhurst – aligned to finding somewhere to live - covering Housing Services (delivery and development), procurement and Council contracts.

Portfolio Holder for Climate Change – Councillor Anthony Lovell – covering the green thread that runs throughout the Council Plan. This is an overarching portfolio due to the implications of climate change in a range of service areas.

Strategic Purposes will not be achieved by one service area alone and an individual service area will undoubtedly help achieve more than one strategic purpose. Services have been listed under strategic purposes to which they most directly relate and Portfolio Holders will be responsible for these services. However, it is incumbent on each Portfolio Holder to work with the other Portfolio Holders to ensure most effective use of resources and achievement of strategic purposes.

**Annual Meeting
of the Council****Appendix 1**22nd June 2020**Nominations and Appointments to Offices,
Committees, Sub-Committees etc.**

Committee / Sub-Committee etc.	Size (Members)	Conservative	Labour
Audit, Governance and Standards Committee	9	6 Cllrs Salman Akbar, Baker-Price, Beecham, Brunner, Fleming and Thain	3 (Ch) Cllr Fisher (V Ch) Cllr Shurmer Cllr Smith
Licensing Committee (note the sub-committees are now selected from the committee membership)	11	7 (Ch) Salman Akbar (V Ch) Roger Bennett Cllrs, Joanne Beecham, Michael Chalk, Julian Grubb, Ann Isherwood and Gareth Prosser	4 Cllrs Fry, Hill, Smith and King
Planning Committee (A pool of named substitutes would be welcomed for this Committee from both groups)	9	6 (Ch) Gemma Monaco (V Ch) Salman Akbar Cllrs, Baker-Price, Bennett, Chalk and Grubb. <u>Named substitutes:</u> Cllrs Fleming, Lovell, Nazir, Prosser, Rouse and Warhurst	3 Cllrs Fry, Hartnett and Wheeler <u>Named Substitutes:</u> Cllrs Baker, Smith, King and Shurmer

REDDITCH BOROUGH COUNCIL**Annual Meeting
of the Council****Appendix 1**22nd June 2020

Committee / Sub-Committee etc.	Size (Members)	Conservative	Labour
<p>Overview and Scrutiny Committee</p> <p>(The numbers listed assume Members will agree not to appoint to this Committee in accordance with political balance requirements as agreed in previous years. Should Members decide to apply the political balance the Conservatives are allocated 6 seats and Labour 3 seats)</p>	9	<p>4</p> <p>Cllrs Akbar, Chalk, Fleming and Isherwood</p>	<p>5</p> <p>(Ch) Cllr Baker (VC) Cllr Wheeler Cllrs Fry, Hill and Shurmer</p>
<p>Crime and Disorder Scrutiny Panel</p> <p>(The numbers listed assume Members will agree not to appoint to this Committee in accordance with political balance requirements as agreed in previous years. Should Members decide to apply the political balance the Conservatives are allocated 3 seats and Labour 2 seats)</p>	5	<p>2</p> <p>Cllrs Beecham and Bennett</p>	<p>3</p> <p>(Ch) Cllr Wheeler Cllrs Hill and King</p>

REDDITCH BOROUGH COUNCIL**Annual Meeting
of the Council****Appendix 1**22nd June 2020

Committee / Sub-Committee etc.	Size (Members)	Conservative	Labour
Corporate Health, Safety and Welfare Committee	1	1 Member Cllr Nyear Nazir Sub? Julian Grubb	-
Members' Support Steering Group	5	3 (Ch) Matt Dormer (V Ch) Mike Rouse Cllr Beecham	2 Cllrs D Chance and G Chance
Worcestershire Shared Services Joint Committee	2 (+ 2 subs)	1 Member Cllr Nyear Nazir Sub: Cllr Julian Grubb	1 Member Cllr King Sub: Cllr Fry
Planning Advisory Panel	5	3 Members (Ch) Cllr Matt Dormer (V Ch) Cllr Anthony Lovell Cllr Craig Warhurst	2 Members Cllrs G Chance and Hartnett
Climate Change Advisory Panel	5	3 Members (Ch) Anthony Lovell Cllrs Beecham and Fleming	2 Members (V Ch) Fry Cllrs D Chance
Constitutional Review Working Party	5	3 Members (Ch) Cllr Dormer Cllrs Baker-Price and Thain	2 Members Cllrs G Chance and Hartnett
Appointments Committee	5	3 Members (Ch) Cllr Dormer (V Ch) Cllr Rouse Cllr Monaco	2 Members Cllrs G Chance and Hartnett
Shareholders Committee (Rubicon Leisure)	5	3 Members (Ch) Cllr Thain (V Ch) Cllr Akbar Cllr Isherwood	2 Members Cllrs Fisher and Hartnett

REDDITCH BOROUGH COUNCIL**Annual Meeting
of the Council****Appendix 1**22nd June 2020

Committee / Sub-Committee etc.	Size (Members)	Conservative	Labour
Electoral Matters Committee	5	3 Members (Ch) Cllr Dormer (V Ch) Cllr Monaco Cllr Rouse	2 Members Cllrs G Chance and Hartnett
Statutory Officers Disciplinary Panel	5	3 Members (Ch) Cllr Dormer (V Ch) Cllr Rouse Cllr Monaco	2 Members Cllrs G Chance and Hartnett
Holocaust Memorial Steering Group	5	3 Members (Ch) Cllr Fleming (V Ch) Cllr Anthony Lovell Cllr Nazir	2 Members Cllrs Hartnett and Wheeler
Redditch Matters Editorial Panel	3	2 Members Cllrs Fleming and Rouse	1 Member Cllr D Chance

**Annual Meeting
of the Council****Appendix 1**22nd June 2020**Scrutiny Groups****(political proportionality not required)**

Working Group / Task Group / Short Sharp Review	Size (Members)	Conservative	Labour
Budget Scrutiny Working Group	5 (maximum)	Cllr Akbar and Isherwood	(Ch) Cllr Wheeler Cllrs Fisher and Smith
Performance Scrutiny Working Group	5 (maximum)	Cllr Fleming and Isherwood	(Ch) Cllr Fry Cllrs Fisher and Smith
Suicide Prevention Task Group <i>(Please note that it is suggested that no new Members are appointed to this group as they have almost finished their review and only requires one more meeting).</i>	5 (maximum)	Cllr Isherwood	(Ch) Cllr D Chance Cllr Baker Cllr Shurmer

*The Chairs of each of these scrutiny groups must be a member of the Overview and Scrutiny Committee.

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REDDITCH BOROUGH COUNCIL**Annual Council**22nd June 2020**BOROUGH COUNCIL REPRESENTATIVES ON
OUTSIDE BODIES – NOMINATIONS FOR 2020/2021****STRATEGIC APPOINTMENTS TO NOTE:**

Organisation	Appointee 2019/20	Appointment Requirements	Nomination 2020/21
Local Government Association	Councillor Matt Dormer	1 Representative (usually Leader) must be a Councillor Term : 1 year No liability issues identified.	Councillor Matt Dormer
West Mercia Police and Crime Panel	Councillor Julian Grubb Sub: Councillor Gareth Prosser	1 representative (Relevant Portfolio Holder) and 1 substitute Term: 1 year No liability issues identified	Councillor Nyear Nazir Sub: Councillor Julian Grubb
Assembly of the District Councils' Network	Councillor Matt Dormer (as Leader of the Council)	1 Nomination To represent the Council on the Assembly of this body which is a voice for District Councils within the Local Government Association. The Assembly of the DCN comprises the Leaders of the Member Authorities or equivalent. Term : 1 year No liability issues identified.	Councillor Matt Dormer

REDDITCH BOROUGH COUNCIL**Annual Council**22nd June 2020

Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) [Also referred to as the LEP Board]	Councillor Karen May (Bromsgrove) Sub: Councillor Matt Dormer	1 (plus 1 Substitute) representing the 3 North Worcestershire District Councils.	Councillor Karen May (Bromsgrove) Sub: Councillor Matthew Dormer
GBSLEP – Joint Committee (Local Supervisory Board)	Councillor Matt Dormer Leader Ex-officio for Redditch BC Councillor David Thain Deputy Leader Ex-officio for Redditch BC	1 Member (Leader) from each constituent Authority plus substitute	Councillor Matt Dormer Sub: Councillor Mike Rouse
GBSLEP - Local Enterprise Partnership - EU Structural and Investment Fund Strategy Committee (ESIF)	Councillor Fran Oborski (Wyre Forest) Sub: Councillor Matt Dormer	1 Representative and 1 Substitute from the three North Worcestershire Districts.	Councillor Fran Oborski (Wyre Forest) Sub: Councillor Matthew Dormer
Worcestershire Local Transport Board (WLTB)	Councillor Julian Grubb Wyre Forest Councillor	2 representatives from North Worcestershire Councils plus one substitute. 2 representatives not to be drawn from the Council supplying the “main” representative on Worcestershire LEP	Councillor Nyear Nazir Wyre Forest District Council

REDDITCH BOROUGH COUNCIL**Annual Council**22nd June 2020

<p>Corporate Parenting Steering Group (Worcestershire County Council)</p>	<p>Councillor Julian Grubb</p>	<p>1 RBC Representative (elected) <u>Must be relevant Portfolio Holder</u> Until next RBC Annual Meeting. (Monthly meetings – approx. 2 hrs each time – generally Friday mornings – 9.30a.m. start) No liability issues identified.</p>	<p>Councillor Nyear Nazir</p>
<p>Redditch Partnership (Local Strategic Partnership)</p>	<p>Councillor Matt Dormer Leader by Office</p>	<p>1 Member Representative Leader Term : 1 year No liability issues identified.</p>	<p>Councillor Matt Dormer</p>
<p>Redditch Partnership Business Leaders Group (formerly an Economic Theme Group)</p>	<p>Councillor Matt Dormer Councillor David Thain Councillor Bill Hartnett</p>	<p>Following changes this group is now operating under a new title and promoting greater links with local business leaders. For 2020/21 representatives required, by office:</p> <ul style="list-style-type: none"> • Leader • Economic Development Portfolio Holder 	<p>Councillor Matt Dormer</p>

REDDITCH BOROUGH COUNCIL**Annual Council**22nd June 2020

North Worcestershire Community Safety Partnership	Councillor Julian Grubb	1 representative and one named substitute Term: 1 year Terms of Reference indicate the representative should be the relevant Portfolio Holder. Each district Council has a place on the Partnership Board as an Invitee to Participate. No liability issues identified.	Councillor Nyear Nazir
Waste Management Board (Lead Officer – Guy Revans)	Councillor Brandon Clayton (as relevant Portfolio Holder)	1 representative Representative must be a Councillor and relevant Portfolio Holder Term : 1 year <u>Note</u> : Meets Friday mornings - 4 times per year No liability issues identified	Councillor Brandon Clayton (as relevant Portfolio Holder) Sub – Councillor Anthony Lovell
Worcestershire Health and Wellbeing Board	Councillor Shirley Webb Bromsgrove DC Sub: Councillor Julian Grubb	1 representative and 1 substitute from North Worcestershire Councils	Councillor Shirley Webb Bromsgrove DC Sub: Councillor Nyear Nazir
Health Improvement Group	Councillor Julian Grubb Sub: Councillor Juliet Brunner	1 RBC Representative (Elected) Relevant Portfolio	Councillor Nyear Nazir Sub: Councillor Julian Grubb

REDDITCH BOROUGH COUNCIL**Annual Council**22nd June 2020

West Midlands Combined Authority Board	Councillor Matt Dormer Sub: Councillor David Thain	1 nomination and one substitute Leader by office	Councillor Matt Dormer Sub: Councillor Mike Rouse
West Midlands Combined Authority Housing and Land Delivery Board	Councillor Matt Dormer Sub: Councillor Craig Warhurst	1 RBC Representative (Elected) Relevant Portfolio <u>Must be relevant Portfolio Holder (function to include Housing and/or Land Use</u>	Councillor Matthew Dormer Sub – Councillor Craig Warhurst

REDDITCH BOROUGH COUNCIL**Annual Council**22nd June 2020**LOCAL APPOINTMENTS**

West Midlands Combined Authority Audit Committee	Councillor David Thain Sub: Councillor Tom Baker-Price	1 nomination and one substitute Must be members of the majority group	Councillor Tom Baker-Price Sub: Councillor David Thain
West Midlands Combined Authority Overview and Scrutiny Committee	Councillor Michael Chalk Sub: Councillor Julian Grubb	1 nomination and one substitute Must be members of the majority group and ideally members of O&S	Councillor Michael Chalk Sub: Councillor Julian Grubb
Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) – Joint Scrutiny Board	Councillor Michael Chalk Councillor Julian Grubb (alternate)	1 representative and 1 substitute Term: 1 year	Councillor Michael Chalk Sub: Councillor Julian Grubb
Health Overview and Scrutiny Committee (Worcestershire County Council)	Councillor Mike Chalk	1 representative (Must be a member of Redditch Borough Council's Overview and Scrutiny Committee). Term: 1 year. Comprises 8 County Councillors and 6 District Councillors who scrutinise the local NHS and are consulted by the NHS on any proposed substantial changes to local health services.	Councillor Michael Chalk

REDDITCH BOROUGH COUNCIL**Annual Council**22nd June 2020

<p>Redditch Highways & Transportation Forum Members Discussion Group (Worcestershire County Council)</p>	<p>Councillor Michael Chalk Councillor Yvonne Smith</p>	<p>Up to 2 Representatives (Must be Councillors) Term: To RBC AGM Role is that of non-voting observers only. No liability issues identified.</p>	<p>Councillors Michael Chalk and Yvonne Smith</p>
<p>Worcestershire Local Access Forum (Worcestershire County Council)</p>	<p>Councillor Julian Grubb Membership comprises 1 County Council Member; one Member from North District Councils and one Member from the Southern Districts Bromsgrove DC do not participate.</p>	<p>1 nomination from north Worcestershire District Councils (must be a Councillor) Term : 1 year (<u>Note</u>: Would be beneficial if the representative had a keen interest in countryside access and recreation issues.) No liability issues identified.</p>	<p>Councillor Julian Grubb</p>
<p>Redditch Eastern Gateway Steering Group (Contact Officer Simon Jones)</p>	<p>Councillor Anthony Lovell</p>	<p>1 Representative to be a ward member for Winyates Ward Term : 1 year Group of local stakeholders set up by Stratford on Avon District Council to consider proposals regarding the Eastern Gateway Development as to reserved matters and routing strategy/survey. No liability issues identified.</p>	<p>Councillor Peter Fleming</p>

REDDITCH BOROUGH COUNCIL**Annual Council**22nd June 2020

Citizens Advice Bromsgrove and Redditch	New 2016 No appointments made since 2017	1 representative and 1 substitute Appointments will be trustees of the CAB which is a charitable company limited by guarantee Term: 3 years	Councillors
Redditch Co-operative Homes	Councillors Joe Baker, Bill Hartnett, Ann Isherwood and Craig Warhurst.	4 Nominations (must be Councillors) Term : 1 year Nature of representation: to primarily represent the Organisation and not the Borough Council. Notified in 2014 that only 4 nominations were now required Liability appears to be limited providing there are no breaches of duty or trust.	Councillors Joe Baker, Brandon Clayton, Bill Hartnett and Ann Isherwood and
Redditch One World Link Executive Committee	Councillor Joanne Beecham and Peter Fleming	2 Representatives Nominations should not include the Mayor who is a Member ex-officio*. Term : 1 year Liability appears to be limited, provided there are no breaches of duty or trust.	Councillors Joanne Beecham and Peter Fleming
PATROL Traffic Penalty Tribunal (Civil Parking Enforcement)	Councillor Gareth Prosser	1 Representative plus 1 Deputy (must be Councillors) Term: AGM to AGM No liabilities identified / unlikely to be any liabilities.	Councillor Gareth Prosser

REDDITCH BOROUGH COUNCIL**Annual Council**22nd June 2020

'Where Next' Association	Councillors Anthony Lovell and Wanda King	2 Representative must be Councillors – 2 <i>places variation previously agreed</i> Term : 1 year to Council's AGM Nature of representation: to represent the Borough Council. Liability appears to be limited.	Councillors Wanda King and Anthony Lovell
Feckenham Educational Endowment	Current appointee Councillor Brandon Clayton	1 representative. Term: 4 years This organisation is registered as a charity and governed in accordance with the Charity Commission Scheme.	Councillor Brandon Clayton

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REDDITCH BOROUGH COUNCIL**RECORD OF DECISION TAKEN UNDER URGENCY PROCEDURES****SUBJECT: Discretionary Business Grants Policy****BRIEF STATEMENT OF SUBJECT MATTER:**

The government announced a Local Authority Discretionary Grants Fund on 1st May 2020 and published guidance for local authorities on 13th May 2020. This guidance is attached at Appendix B. There has been a slight subsequent revision to this guidance and the proposed policy takes into account the most recent guidance.

This further scheme provides financial support to businesses impacted by the Covid-19 pandemic and is in addition to the two existing schemes administered by local authorities: the Small Business Grants Fund and the Retail, Hospitality and Leisure Grants Fund.

Local authorities have been provided with discretion as to which businesses to support under their scheme, however, government has stated their expectation that businesses in shared offices, small bed and breakfasts, charities in occupation on one small property, and market traders with fixed property costs are prioritised for grant.

Grants provided under the discretionary scheme may be of £25,000, £10,000 or any amount below £10,000. Authorities are required to develop clear criteria for determination of a grant and to publish details on their website.

It is anticipated that businesses will be required to make an application for support under the discretionary scheme and that payments will be made from early July 2020.

DECISION:**RESOLVED that**

- a) the guidance for awards of discretionary grants, as attached to this urgent decision notice, is adopted; and**
- b) the Executive Director for Finance and Resources is authorised to finalise the guidance and to make other decisions in relation to the payment of grants, following consultation with the Chief Executive and the Portfolio Holder for Corporate Management**

(Council)**GROUNDINGS FOR URGENCY:**

The Executive Committee considered and endorsed a report in respect of this matter at a meeting held on Tuesday, 9th June 2020. However, there is not due to be a Council meeting where ordinary business will be considered until July 2020. In this context, to ensure that the Council can start to provide financial support to eligible businesses impacted by the lockdown as soon as possible, an urgent decision is requested in respect of this matter.

DECISION APPROVED BY:

(Deputy) CHIEF EXECUTIVEEXECUTIVE DIRECTOR FINANCE & RESOURCES
(if financial implications).....
(Signature) (Sue Hanley / Kevin Dicks - (D)CX).....
(Signature) (Jayne Pickering)

Date: June 2020

PROPOSED ACTION SUPPORTED *(amend as appropriate)*

..... (Signature) (Signature) (Signature) (Signature) (Signature)
<i>(Block Capitals)</i>	<i>(Block Capitals)</i>	<i>(Block Capitals)</i>	<i>(Block Capitals)</i>	<i>(Block Capitals)</i>
MAYOR *	PF HOLDER	LEADER of the LABOUR Group	LEADER / LDR CONSERVATIVE Group	CHAIR O&S Committee
Date:	Date:	Date:	Date:	Date:

Notes:

* In addition to the Executive decision above regarding the matter under consideration, the Mayor is signing to agree both that the Executive decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. This is to ensure that the call-in procedures as set out in Part 8 of the Constitution shall not apply where an Executive decision being taken is urgent.

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EXECUTIVE COMMITTEE**9TH JUNE 2020****COVID-19 DISCRETIONARY BUSINESS SUPPORT GRANT SCHEME**

Relevant Portfolio Holder	Cllr David Thain
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering, Executive Director Finance and Resources
Ward(s) Affected	All
Ward Councillor(s) Consulted	None Specific
Key Decision / Non-Key Decision	Non-Key Decision

1. SUMMARY OF PROPOSALS

This report considers the new local authority discretionary business support grants and the council's guidelines for making awards from its allocation.

2. RECOMMENDATIONS

Executive Committee is asked to RECOMMEND TO COUNCIL that

- a) **The guidance for awards of discretionary grants detailed in appendix A is adopted.**
- b) **The Executive Director for Finance and Resources is authorised to finalise the guidance and to make other decisions in relation to the payment of grants, in consultation with the Chief Executive and the Portfolio holder for corporate management**

3. KEY ISSUES

- 3.1 The government announced a Local Authority Discretionary Grants Fund on 1 May 2020 and published guidance for local authorities on 13 May 2020. This guidance is attached at Appendix B. There has been a slight subsequent revision to this guidance and the proposed policy takes into account the most recent guidance.
- 3.2 This further scheme provides financial support to businesses impacted by the Covid-19 pandemic and is in addition to the two existing schemes administered by local authorities: the Small Business Grants Fund and the Retail, Hospitality and Leisure Grants Fund.
- 3.3 Local authorities have been provided with discretion as to which businesses to support under their scheme, however, government has stated their expectation that businesses in shared offices, small bed and breakfasts, charities in occupation on one small property, and market traders with fixed property costs are prioritised for grant.

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE****9TH JUNE 2020**

- 3.4 Grants provided under the discretionary scheme may be of £25,000, £10,000 or any amount below £10,000. Authorities are required to develop clear criteria for determination of grant and to publish details on their website.
- 3.5 It is anticipated that businesses will be required to make an application for support under the discretionary scheme and that payments will be made from early June 2020.
- 3.6 The Government has announced three mandatory criteria for support under the scheme;
- a) The business must have been trading on 11th March 2020; and
 - b) The business must not be eligible or have received support under the other Covid-19 support schemes.
 - c) The business must not be in administration, insolvent or have had an order to strike off made.
- 3.7 The Government has advised that payments under the scheme should be targeted at small and micro businesses.
- 3.8 The total expenditure under the discretionary scheme may not exceed the council's allocated funding of £724k
- 3.9 To ensure fairness in the allocation of payments the grants will first be awarded to the Government's priority groups, and then where sufficient funding remains awards will be made to the businesses in the council's priority groups. If funds remain available payments will be made to small or micro businesses that can demonstrate a significant loss in income as a result of the Covid-19 pandemic.
- 3.10 To ensure fairness in the awards of grant the scheme will be open for applications for a fixed period of x (*tbc*) days, awards will then be made to businesses in the priority one, priority two and priority three groups in that order. If funds are exhausted at any of the priority levels then no further grants will be paid.

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE****9TH JUNE 2020**

3.11 It is proposed that the Council's allocation is targeted as follows:

Type of Business	Estimate of eligible businesses	Grant amount per business (£)	Total Cost (£)
Priority One			
Shared Offices	30	5,000	150,000
Charities	17	10,000	170,000
Bed and Breakfasts	5	5,000	25,000
Market Traders	20	5,000	100,000
Priority Two			
Events and Exhibitions			
a. RV below £15,001	1	10,000	10,000
b. RV between £15,001 and £50,999	3	25,000	75,000
Travel and Leisure			
a. RV below £15,000	0	10,000	0
b. RV between £15,001 and £50,999	2	25,000	50,000
Priority Three			
Pubs, Gyms and Children's Centres	2	25,000	50,000
Retail, Leisure and Hospitality Supply Chain Businesses			
c. RV below £15,001	Unknown	10,000	
d. RV between £15,001 and £50,999	Unknown	25,000	

Financial Implications

3.12 The costs of the grants made under the Discretionary Grants Fund will be met in full by Government. Controls must be put in place to ensure that the award of grant does not exceed the funds allocated by Government.

Legal Implications

3.13 The Council has been funded by the Government under section 31 of the Local Government Act 2003. Section 1 of the Localism Act 2011 provides all local authorities with the vires to make these payments.

EXECUTIVE COMMITTEE**9TH JUNE 2020**

Service/Operational Implications

- 3.14 The operation of the scheme will place additional pressures on the Revenue Services Section – the scheme will be delivered within existing resources but a review of the impact of delivery of discretionary schemes on the effectiveness of the revenues services will be required and additional resources may be needed to remedy in decline in overall performance. It is anticipated that support from customer services advisors will be available to meet call demand.

Customer / Equalities and Diversity Implications

- 3.15 The scheme will be required to deliver support quickly to businesses within Redditch and must ensure that the maximum amount of funding is made available to businesses within the Redditch area.

4 RISK MANAGEMENT.

- 4.1 There is risk of reputational damage if the scheme does not maximise expenditure and ensure the full amount of support is provided to businesses within the Redditch District. Officers have looked to mitigate challenge having reviewed guidance and the impact Covid 19 has had on businesses in the District.

5. APPENDICES

Appendix A: Redditch Borough Council – Guidelines for Discretionary Grants Scheme.

Appendix B: Grant Funding Schemes: Local Authority Discretionary Grants Fund – guidance for local authorities.

6. BACKGROUND PAPERS

None

AUTHOR OF REPORT

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APPENDIX A

Discretionary Business Support Grant Fund Guidelines

Redditch Borough Council

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[How much funding is available for the scheme?](#)

[How will the scheme operate?](#)

[Who will be eligible for grants?](#)

[Priority One Groups](#)

[Priority Two Groups](#)

[Priority Three Groups](#)

[What grants will each business receive?](#)

Appendix A – Summary of Discretionary Scheme

Introduction

1. In response to the Coronavirus outbreak the Government announced that there would be support for small businesses and businesses within the retail, hospitality and leisure sectors that provide services to visiting members of the public.
2. The support took the form of two grant funding schemes the Small Business Grant Fund (SBGF) and the Retail, Hospitality and Leisure Grant Fund (RHLGF). The purpose of the grants is to support businesses to pay their fixed property costs.
3. On 2nd May 2020 the Government identified that a number of business were excluded for the schemes and announced that additional funding would be provided for local authorities to develop their own discretionary grant funding schemes. This document provides guidance on the operation of this discretionary fund within the Borough of Redditch.

How much funding is available for the discretionary scheme?

4. The Government has announced that an additional 5% uplift would be made to the £12.33 billion funding that was available for the SBGF and RHLGF. The uplift will be calculated based on the anticipated expenditure at 3rd May 2020. The amount will be available for Redditch Borough Council is £724,000
5. The costs of the discretionary scheme operated by Redditch Borough Council are not permitted to exceed the available funding.

How will the scheme operate?

6. The Government has determined that local authorities should prioritise support to:
 - a. Businesses in shared offices which do not have their own assessment in the non-domestic rating list.
 - b. Charities occupying small business properties with a rateable value of less than £15,000 who do not qualify for RHLGF and are excluded from claiming small business rate relief, or rural rate relief as a result of their entitlement to charitable rate relief.
 - c. Market Traders, who have fixed building costs, but who do not have their own business rates assessments
 - d. Small Bed and Breakfasts which are not subject to business rates.

For the operation of the discretionary scheme these businesses will be referred to as priority one businesses.

7. Local authorities are able to identify their own priority business which may receive funding from the discretionary scheme.

8. Redditch Council has identified that businesses within the events and exhibitions sector; and businesses with the travel and leisure sector that do not provide services to visiting members of the public have been severely affected by the Covid-19 pandemic and are not eligible for support under the existing grant schemes. It is anticipated that they will remain impacted by restrictions on social gatherings for some time and therefore businesses in these sectors will, alongside the Government's priority lists, be given preference for support. For the purposes of Redditch's discretionary scheme these businesses will be referred to as priority two businesses.
9. Pubs, Gyms and Children's activity centres remain closed as a result of the coronavirus restrictions. These businesses, where they have an RB of over £51,000 were ineligible for the retail, leisure and hospitality grant. Redditch Borough Council will consider support to these businesses and they will be referred to as priority three businesses.
10. Redditch Borough Council's scheme will open for applications from 12 June 2020 and will close for applications on 30 June 2020, the application period.
11. At the end of the application period all claims for grant will be assessed. Awards of relief will be made first to businesses in the priority one group, and then if sufficient funding remains the priority two group. When all claims from the first two groups have been determined businesses in the priority three group will be awarded grants. If any monies are available grants for other businesses will then be considered.
12. Where insufficient funds are available to provide support to all businesses within a priority group, or when all priority groups have been awarded and awards are considered for other businesses then grants will be made based on an assessment of:
 - a. The loss in income the business has suffered due to the Coronavirus outbreak;
 - b. The level of property related costs that the business has; and
 - c. The importance of that business to the Redditch Borough.

Who will be eligible for grants?

13. To qualify for a grant all applicants must meet criteria set by Government these criteria are
 - a. The business must have been trading on 11th March 2020
 - b. The business must not have received support from
 - i. The fisheries response fund;
 - ii. Domestic Seafood Supply Scheme
 - iii. The Zoos support fund
 - iv. The Dairy Hardship Fund
 - c. The business must not be eligible for support, or have received support from either
 - i. The Small Business Grant Fund
 - ii. The Retail, Leisure and Hospitality Grant Fund

- d. The business must be able to demonstrate that they have suffered a significant fall in income due to the Covid-19 pandemic.
 - e. The business must not be in administration, insolvent, or have had a striking off notice made.
14. The exclusion in relation to receipt of support under the Small Business Grant Fund, or the Retail, Hospitality and Leisure Grant Fund applies to grants paid in respect of any hereditament occupied by the business or individual and not solely to the hereditament or property for which the Discretionary Grant application is made. This means that if the business has received support for property A under the existing grant schemes, an award of discretionary grant for property B cannot be made.
15. For the purposes of Redditch Borough Council's scheme priority one, two and three businesses must be classified as small or micro businesses.
- a. Small Businesses must satisfy two or more of the following criteria
 - i. Turnover: Not more than £10.2 million
 - ii. Balance Sheet Total: Not more than £5.1 million
 - iii. Number of employees: a headcount of staff less than 50
 - b. Micro businesses must be able to satisfy two or more of the following criteria
 - i. Turnover: Not more than £632,000
 - ii. Balance Sheet Total: Not more than £316,000
 - iii. Number of employees: a headcount of staff less than 10
16. The following exclusions will apply in respect of grant:
- a. Grants will not be paid for
 - i. Car Parks, or Car Parking Spaces
 - ii. Hereditaments used wholly or mainly for personal use
 - iii. Hereditaments occupied by an individual or an organisation and used wholly or mainly for political purposes

17. Priority One Groups

Priority one businesses are defined as

Serviced and Shared Offices

- a) A businesses or individuals in occupation of a part of a hereditament for which a separate entry is not shown within the local non-domestic rating list; and
- b) The business must demonstrate that they have fixed property costs – in form of rent or license payments - in relation to the part of the property which they occupy.

Charities

- a) Charities or trustees for a charity in occupation of a hereditament with a rateable value of less than £15,000 where
 - a. The Non-Domestic Rates liability is calculated under Section 43(4) of the Local Government Finance Act 1988
 - b. The charity occupies one hereditament in England, or one hereditament and others that would be disregarded under paragraph 7 or 8 of the Non-Domestic Rating (Reliefs, Thresholds and Amendment) (England) Order 2017 if those regulations applied.
 - c. The hereditament is not eligible for support under the retail, leisure and hospitality grant fund.

Bed and Breakfast accommodation

Business or individuals in occupation of a property used for the provision of bed and breakfast accommodation where this is provided to fewer than 7 people at any one time, and where the owner of the premises is resident within the property and provides both food and accommodation.

Markets and Market Traders

Businesses or individuals in occupation of a market stall, kiosk or pitch, situated within the Redditch Borough, which does not have a separate entry in the rating list and for which they have a fixed recurring license fee, rental payment, market toll or other associated property costs.

18. Priority Two Groups**Events and Exhibitions Sector**

Businesses or individuals in occupation of a hereditament:

- a. With a rateable value of less than £51,000; and
- b. Which are used wholly or mainly for the planning, management, or organisation of concerts, exhibitions or public events.

Travel and Leisure Businesses

Businesses or individuals in occupation of a hereditament:

- a. With a rateable value of less than £51,000 used wholly or mainly for;
 - i. the distance selling of travel, leisure and holiday packages; or
 - ii. for the organisation, management or delivery of travel excursions, leisure breaks and vacation services

19. Priority Three Groups**Pubs, Gyms and Children's Activity Centres**

Businesses or individuals eligible for expanded retailers discount from 1st April 2020 and in occupation of a hereditament with a rateable value between £51,000 and £100,000 used wholly or mainly as a public house, gym or children's activity centre.

Retail, Leisure and Hospitality Supply Chain Businesses

Businesses or individuals in occupation of a hereditament:

- a. With a rateable value of less than £51,000; and
- b. Which is used wholly or mainly for the wholesale provision of goods to businesses within the retail, hospitality or leisure sector

What Grants will each business receive?

It is proposed that the council's allocation is targeted as set out in the tabulation below

Type of Business	Grant amount per business (£)
Priority One	
Shared Offices	5,000
Charities	10,000
Bed and Breakfasts	5,000
Market Traders	5,000 ¹
Priority Two	
Events and Exhibitions Travel and Leisure	
a. RV below 15,001	10,000
b. RV between £15,001 and £50,099	25,000
Priority Three	
Pubs, Gyms and Children's activity Centres	25,000
Retail, Hospitality and Leisure Supply Chain	
a. RV below 15,001	10,000
b. RV between £15,001 and £50,099	25,000

Note 1: The grant awarded to Market Traders will be apportioned to reflect the number of days on which the trader normally operates within Redditch. Calculated as:

£5,000 * number of trading days in week/number of market operating days in week

Appendix A – Summary of Discretionary Scheme

	Priority Group One	Priority Group Two	Priority Group Three
Per Business Grant	£5,000 £10,000 for charities	£10,000 or £25,000	£10,000 £25,000
Eligibility Criteria	<p>To be eligible for the scheme business must have been:</p> <ul style="list-style-type: none"> i) Trading on 11th March 2020 ii) Not have received support from iii) Not be eligible or have received support from either iv) The business must be able to demonstrate a significant fall in income due to the Covid-19 pandemic <p>The business must be classified as a small or micro business</p>		
Businesses within classification	<p>Shared Offices</p> <p>Market Traders</p> <p>Bed and Breakfasts</p> <p>Charities ineligible for small business rates relief</p>	<p>Events and Exhibitions businesses occupying business premises with an RV of below £51,000</p> <p>Travel and Leisure occupying businesses premises with RV of below £51,000</p>	<p>Pubs, Gyms and Children’s Activity Centres</p> <p>Retail, Leisure and Hospitality Supply Chain Businesses</p>
Exclusions	<p>Only one grant may be awarded per property.</p> <p>Grants may not be awarded to a billing authority, or precepting authority.</p> <p>Grants may not be awarded for car parks and parking spaces, or in respect of hereditaments used for personal use.</p> <p>Grants may not be awarded for premises occupied wholly or mainly for political purposes.</p> <p>Grants may not be paid to a business or individual who has received a Small Business Support Grant, or Retail, Hospitality and Leisure grant for any other Hereditament.</p>		
State Aid	<p>State aid applies grants of up to £10,000 can be paid as De Minimis aid €200,000 limit over 3 years (or under the Temporary Framework where De Minimis threshold exceeded).</p> <p>Payments up to and including £25,000 can be paid under the UK Covid 19 Temporary Framework for UK Authorities subject to:</p> <ul style="list-style-type: none"> a) €800,000 limit; and b) recipient confirming they were not an undertaking in difficulty (within the definition of Article 2(18) of the General Block Exemption Regulation) on 31 December 2019 		

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Department for
Business, Energy
& Industrial Strategy

Grant Funding Schemes

Local Authority Discretionary Grants Fund –
guidance for local authorities



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About this guidance

1. This guidance is intended to support local authorities in administering the Local Authority Discretionary Grants Fund announced on 1 May 2020. This guidance applies to England only.
2. This guidance sets out the criteria which local government should consider as they manage the Local Authority Discretionary Grants Fund. This does not replace [existing guidance](#) for the Small Business Grant Fund (SBGF) or the Retail Hospitality and Leisure Grant Fund (RHLGF).
3. Local authority enquiries on this measure should be addressed to businessgrantfunds@beis.gov.uk. Businesses seeking information should refer to their local authority for further information on their discretionary scheme.

Introduction

4. In response to the Coronavirus, COVID-19, the government announced there would be support for small businesses, and businesses in the retail, hospitality and leisure sectors, delivered through the Small Business Grant Fund and the Retail, Leisure and Hospitality Grant Fund.
5. This additional fund is aimed at small businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund.

How will the grants be provided?

6. Local authorities will be responsible for delivering grants to eligible businesses. Section 1 of the Localism Act 2011 provides all local authorities with the vires to make these payments.
7. The cost to local authorities of these grant payments will be met in one of two ways:
 - Where they have or plan to spend all of the grants fund allocation for the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund, they will receive an additional payment of 5% of their funding allocation (using a grant under section 31 of the Local Government Act 2003).
 - Local authorities that, having taken all reasonable steps to provide grants to eligible businesses for the Small Business Grants Fund and/or the Retail, Hospitality and Leisure Grants Fund, still have unspent initial grants funds allocation, will fund the grants from this unspent residual. Local authorities with a projected underspend of more than 5% cannot allocate awards above their 5% threshold.
8. In either case, we will continue to monitor each local authority's spend performance for the Small Business, Retail, Hospitality and Leisure Grants Funds and the Local Authority Discretionary Grants Fund and ensure they have sufficient funding and the correct 5% cap for the Discretionary Grants Fund and will top up funding where necessary.

9. We will use the data return from local authorities of Monday 4th May 2020, which includes a projection of spend totals for the Small Business and Retail, Hospitality and Leisure Grants Funds, as the baseline for calculating either:
 - The 5% funding envelope that each local authority can utilise to meet the costs of this discretionary grants scheme, where they have residual funding available;
 - Or, the allocation of the additional amount of grant to be paid to those local authorities expecting to have no residual funding or not enough residual funding from the initial allocation of Small Business and Retail, Hospitality and Leisure Grants Funds.
10. This is a baseline to provide the fixed minimum 5% allocation for each local authority, to give certainty. We do not want to penalise local authorities that subsequently manage to achieve a higher number of business hereditaments supported and grants awarded; their 5% allocation will be adjusted upwards.
11. We are committed to meeting the delivery costs to local authorities for this scheme and will meet associated New Burdens costs.
12. Local authorities that will be responsible for making payments to businesses and which will receive funding from government are billing authorities in England.
13. This grant scheme widens access to support to businesses who are struggling to survive due to the Corona virus shutdown but are unable to access other grant funding. Local authorities should make payments as quickly as possible to support struggling businesses. We anticipate that the first payments made under the scheme will be received by businesses by early June.

How much funding will be provided to businesses?

14. Local authorities may disburse grants to the value of £25,000, £10,000 or any amount under £10,000. The value of the payment to be made to a business is at the discretion of the local authority.
15. Grants under the Local Authority Discretionary Grants Fund are capped at £25,000.
16. The next level payment under the Local Authority Discretionary Grants Fund is £10,000.
17. Local authorities have discretion to make payments of any amount under £10,000. It will be for local authorities to adapt this approach to local circumstances, such as providing support for micro-businesses with fixed costs or support for businesses that are crucial for their local economies. We expect that payments of under £10,000 may be appropriate in many cases.
18. In taking decisions on the appropriate level of grant, local authorities may want to take into account the level of fixed costs faced by the business in question, the number of employees, whether businesses have had to close completely and are unable to trade online and the consequent scale of impact of COVID-19 losses.
19. Bearing in mind the above, local authorities should set out clear criteria for determining the appropriate level of grant to give businesses clarity.

Who will benefit from these schemes?

20. These grants are primarily and predominantly aimed at:
- Small and micro businesses, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006.
 - Businesses with relatively high ongoing fixed property-related costs
 - Businesses which can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis
 - Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.
21. To be a small business, under the Companies Act 2006, a business must satisfy two or more of the following requirements in a year—
- Turnover: Not more than £10.2 million
 - Balance sheet total: Not more than 5.1 million
 - Number of employees: a headcount of staff of less than 50
22. To be a micro business, under the Companies Act 2006, a business must satisfy two or more of the following requirements—
- Turnover: Not more than £632,000
 - Balance sheet total: Not more than £316,000
 - Number of employees: a headcount of staff of not more than 10
23. We want local authorities to exercise their local knowledge and discretion and we recognise that economic need will vary across the country, so we are setting some national criteria for the funds but allowing local authorities to determine which cases to support within those criteria.
24. We are asking local authorities to prioritise the following types of businesses for grants from within this funding pot:
- Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment;
 - Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment;
 - Bed & Breakfasts which pay Council Tax instead of business rates; and
 - Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.

25. The list set out above is not intended to be exhaustive but is intended to guide local authorities as to the types of business that the government considers should be a priority for the scheme. Authorities should determine for themselves whether particular situations not listed are broadly similar in nature to those above and, if so, whether they should be eligible for grants from this discretionary fund.
26. Where limits to funding available for this scheme require local authorities to prioritise which types of businesses will receive funding, it will be at the local authorities discretion as to which types of business are most relevant to their local economy. There will be no penalty for local authorities because of their use of discretion to prioritise some business types.
27. Local authorities should set out the scope of their discretionary grant scheme on their website, providing clear guidance on which types of business are being prioritised, as well as the rationale for the level of grant to be provided (either £25,000, £10,000 or less than £10,000).
28. Local authorities may wish to consider collaborating as they design their discretionary schemes to ensure there is consistency where they are working across a functional economic area (e.g. a Mayoral Combined Authority or Local Enterprise Partnership area) and may want to engage with MCAs and LEPs to ensure alignment and reduce duplication with other local discretionary business grants that may have been established.

Eligibility

29. This grant funding is for businesses that are not eligible for other support schemes. Businesses which have received cash grants from any central government COVID-related scheme are ineligible for funding from the Discretionary Grants Fund. Such grant schemes include but are not limited to:
 - Self Employment Income Support Scheme
 - Small Business Grant Fund
 - Retail, Hospitality and Leisure Grant
 - The Fisheries Response Fund
 - Domestic Seafood Supply Scheme (DSSS).
 - The Zoos Support Fund
 - The Dairy Hardship Fund
30. Businesses who have applied for the Coronavirus Job Retention Scheme are eligible to apply for this scheme.
31. Only businesses which were trading on 11 March 2020 are eligible for this scheme.
32. Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

Who will receive this funding?

33. It is recognised that local authorities will need to run some form of application process as the potential beneficiaries are highly unlikely to be known directly by the local authorities.
34. This will allow local authorities to undertake proportionate pre-payment checks to confirm eligibility relative to their local scheme and to allow each local authority to determine how to use its discretion in relation to the appropriate level of grant. Prepayment checks must include confirming that by accepting payments recipients are in compliance with State aid rules.
35. Local authorities must use their discretion in identifying the right person to receive this funding, based on their application process.
36. The local authority must call or write to the business, stating that by accepting the grant payment, the business confirms that they are eligible for the grant scheme, including that any payments accepted will be in compliance with State aid requirements. Suggested wording for State aid declarations is included at Annex B.

Will these grant schemes be subject to tax?

37. Grant income received by a business is taxable therefore funding paid under the Local Authority Discretionary Grants Fund will be subject to tax.
38. Only businesses which make an overall profit once grant income is included will be subject to tax.

Managing the risk of fraud

39. The government will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.
40. The government Grants Management Function and Counter Fraud Function will make their digital assurance tool, Spotlight, available to local authorities, and will offer support in using the tool and interpreting results. Alongside other checks conducted by local authorities, the tool can help with pre-payment and post payment assurance. We also want local authorities to work with us and each other in identifying and sharing good practice, including protecting eligible businesses which may be targeted by fraudsters pretending to be central or local government or acting on their behalf.

Post event assurance

41. Post payment, the government Grants Management Function and Counter Fraud Function will support local authorities to carry out post-event assurance work to identify high risk payments.

Monitoring and reporting requirements

42. Local authorities will be required to report on their progress in developing and delivering the Local Authority Discretionary Grant Fund weekly to BEIS alongside the existing reporting on the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund. Criteria for local authority schemes must be published and shared with BEIS.
43. Once the scheme is developed and payments are made, reports from June onward will cover:
- Numbers of businesses provided £25,000 grants
 - Numbers of businesses provided £10,000 grants
 - Numbers of businesses provided less than £10,000 grants
 - Total funding paid out in relation to the discretionary grant scheme paying less than £10,000
 - Expected date of completion of all grant payments to businesses
 - Issues encountered in implementing the scheme to allow BEIS to support development of solutions with local authorities.
44. We will also contact a sample of LAs each month to:
- Check they are awarding in line with the mandatory criteria;
 - Understand the ways in which they are using their discretion.
45. Annex A contains information on Post Payment Monitoring requirements.

State aid

46. The United Kingdom left the EU on 31 January 2020, nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU Commission. The local authority must be satisfied that all State aid requirements have been fully met and complied with when making grant payments, including, where required, compliance with all relevant conditions of the EU State aid De-Minimis Regulation, the EU Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, the approved COVID-19 Temporary Framework for UK Authorities, and any relevant reporting requirements to the EU Commission.
47. Local authorities have a discretion to make payments to eligible recipients under either the De Minimis rules or the COVID-19 Temporary Framework for UK Authorities (provided all the relevant conditions are met).
48. Payments of up to and including £10,000 can be provided under the De Minimis rules, meaning applicants can receive up to €200,000 of aid within a three year period.
49. Payments of up to and including £25,000 (or where the De Minimis threshold has been reached) should be paid under the COVID-19 Temporary Framework for UK Authorities. Local authorities should note the conditions attached to the Temporary Framework, including the €800,000 threshold per undertaking (€120 000 per undertaking active in

the fishery and aquaculture sector or €100 000 per undertaking active in the primary production of agricultural products), and requirement for recipients to declare they were not an undertaking in difficulty on 31 December 2019. An 'undertaking in difficulty' is defined by GBER (2014) as an undertaking in which at least one of the following circumstances occurs:

- a) In the case of a limited liability company (other than an SME that has been in existence for less than three years), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital.
 - b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses.
 - c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
 - d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
 - e) In the case of an undertaking that is not an SME, where, for the past two years:
 - i) The undertaking's book debt to equity ratio has been greater than 7.5 and
 - ii) The undertaking's EBITDA interest coverage ratio has been below 1.0.
50. Annex B of this guidance contains two sample declarations which local authorities may wish to use with either payments under the De Minimis rules or under the COVID-19 Temporary Framework for UK Authorities. Where local authorities have further questions about De Minimis or other aspects of State aid law, they should seek advice from their legal department in the first instance.

Annex A: Post-payment reporting

Background

1. Local authorities will be required to report weekly to BEIS on the Local Authority Discretionary Grants Fund, alongside the existing reporting on the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund
2. Reports will cover:
 - Numbers of businesses provided £25,000 grants
 - Numbers of businesses provided £10,000 grants
 - Numbers of businesses provided less than £10,000 grants
 - Total funding paid out in relation to the discretionary grant scheme paying less than £10,000
 - Expected date of completion of all grant payments to businesses
 - Issues encountered in implementing the scheme to allow BEIS to support development of solutions with local authorities
3. The return will be completed using the DELTA Reporting system.

Process

4. Local authorities are required to complete the weekly return for BEIS by 10am Monday (from early June), reporting on the previous Monday – Sunday period.
5. Each weekly report will only cover grants provided by local authorities to eligible business during the period of the previous week as per paragraph 4. The Cities and Local Growth Unit will consolidate the reports to create a cumulative total and monitor progress against the allocation of funding per local authority.

Definitions

Total number of grants provided under each level of the scheme (£25,000; £10,000; and less than £10,000)	Number of grants paid (in that week) to the eligible businesses identified by the local authorities.
Total funding paid out in relation to the discretionary grant scheme paying less than £10,000	This should reflect the amount of money paid in grants against the under £10k grant in the reporting week under this scheme.
Expected Date of Completing all payments to Eligible Businesses	Date at which the local authorities believes it will have provided all grants under the scheme.
Comments	Highlight in this box issues that local authorities are encountering while implementing the schemes.

Annex B: State aid – Sample paragraphs that could be included in letters to grant recipients

Template to send to beneficiaries of aid awarded based on the UK COVID-19 Temporary Framework¹

Dear [Name of Aid Recipient]

Confirmation of State Aid received under the COVID-19 Temporary Framework for UK Authorities scheme

Following the outbreak of the Coronavirus, the European Commission has approved schemes to aid businesses affected by the Coronavirus outbreak on the basis of their Temporary Framework, including the COVID-19 Temporary Framework scheme for the UK.

The maximum level of aid that a company may receive is €800 000 (€120 000 per undertaking active in the fishery and aquaculture sector or €100 000 per undertaking active in the primary production of agricultural products). This is across all UK schemes under the terms of the European Commission's Temporary Framework. The Euro equivalent of the Sterling aid amount is calculated using the Commission exchange rate² applicable on the date the aid is offered.

Any aid provided under this scheme will be relevant if you wish to apply, or have applied, for any other aid granted on the basis of the European Commission's Temporary Framework. You will need to declare this amount to any other aid awarding body who requests information from you on how much aid you have received. You must retain this letter for four years after the conclusion of the UK's transition from the EU and produce it on any request from the UK public authorities or the European Commission.

Aid may be granted to undertakings that were not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation³) on 31 December 2019, but that faced difficulties or entered in difficulty thereafter as a result of the COVID-19 outbreak⁴.

This aid is in addition any aid that you may have received under the De Minimis regulation allowing aid of up to €200,000 to any one organisation over a three fiscal year period (i.e. your current fiscal year and previous two fiscal years), and any other approved aid you have received under other State aid rules, such as aid granted under the General Block Exemption Regulation.

¹ Approval reference.

² https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/information-contractors-and-beneficiaries/exchange-rate-infoeuro_en

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014R0651-20170710>

⁴ If you are an undertaking in difficulty within the meaning of Article 2(18) of the General Block Exemption Regulation you may still be entitled to de minimis aid if you have received less than €200,000 in de minimis aid in the last three years. You should contact us if you consider that you may qualify for de minimis aid on this basis.

Confirmation of State aid received under x Scheme, and Undertaking in Difficulty status

Please sign the attached statement confirming your eligibility, in principle, for aid.

I confirm that I have received the following aid under measures approved within the European Commission's Temporary Framework between March 2020 and December 2020.

I confirm that my undertaking was not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation) on 31 December 2019.

Body providing the assistance/ aid	Value of assistance (in €)	Date of assistance

Declaration

Company	
Company Representative Name	
Signature	
Date	

Template to send to beneficiaries of aid awarded based on De Minimis Rules

Dear []

The value of the grant payment to be provided to [name of undertaking] by [name of local authority] is £ [] (Euros []).

This award shall comply with the EU law on State aid on the basis that, including this award, [name of undertaking] shall not receive more than €200,000 in total of de minimis aid within the current financial year or the previous two financial years). The de minimis Regulations 1407/2013 (as published in the Official Journal of the European Union L352 24.12.2013) can be found at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

Amount of de minimis aid	Date of aid	Organisation providing aid	Nature of aid

I confirm that:

- 1) I am authorised to sign on behalf of _____ [name of undertaking]; and
- 2) _____ [name of undertaking] shall not exceed its De minimis threshold by accepting this grant payment.

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

I confirm that I wish to accept the grant payment in relation to the above premises.

DATE:

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Executive Committee

Tuesday, 9 June 2020

MINUTES

Present:

Councillor Matthew Dormer (Chair), Councillor David Thain (Vice-Chair) and Councillors Greg Chance, Brandon Clayton, Julian Grubb, Bill Hartnett, Mike Rouse and Craig Warhurst

Also Present:

Joanne Beecham, Nyear Nazir and Mark Shurmer

Officers:

Clare Flanagan, Sue Hanley, Mark Hanwell, Kevin Hiron, Bev Houghton, David Riley and Judith Willis

Committee Services Officer:

Jess Bayley

126. DISCRETIONARY BUSINESS GRANT POLICY

The Financial Support Manager presented the Discretionary Business Grant Policy for Members' consideration and in doing so highlighted the following for Members' consideration:

- The Government had introduced financial support for businesses, including grants for small businesses that were eligible for business rates relief, early in the lockdown for Covid-19.
- By the date of the meeting, £12.6 million grant funding had been distributed by the Council amongst local businesses.
- A number of local business which had been impacted by the lockdown had unfortunately not been eligible for funding under existing schemes.
- The government had recently announced that local authorities would be provided with an uplift, or additional funding, calculated on the basis of 5% of anticipated expenditure in response to Covid-19 by the Council as of 3rd May 2020. Redditch Borough Council had been allocated £724,000.
- This additional funding had been allocated to the Council in order to enable authorities to provide discretionary grant

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Chair

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- funding to businesses that had been ineligible to apply for grant funding under the previous schemes.
- In order to be eligible to apply for a discretionary business grant businesses needed to be able to prove they had been in business since at least 11th March 2020, had not previously received grant funding related to Covid-19 and the business could not be in administration.
 - The government had advised the Council that in the first place a number of small businesses should be prioritised for discretionary business grant funding including; market stall traders, small bed and breakfast providers, Voluntary and Community Sector organisations occupying premises where they were not required to pay business rates and businesses occupying shared premises.
 - The Council had also identified businesses locally that, though impacted by the lockdown, had not previously been eligible to receive grant funding. These businesses would be allowed to apply for funding under the discretionary scheme.
 - The Council had identified tiers of businesses, in terms of the extent to which certain businesses would be prioritised for funding over others. The Government's priority businesses would be the first to receive funding followed by other local businesses identified by the Council as in need of financial assistance.
 - Following publication of the report a couple of adjustments had been agreed to the policy. This would include explicit reference to the fact that political parties would not be eligible to apply for a grant and funding would be provided to market traders on a pro rate basis.
 - The Council would advertise the opportunity for eligible businesses to apply for a discretionary business grant for a set period. Applications would be assessed at the end of that period and then funding provided within five days of the decision.

After the report had been presented Members discussed a number of points in detail:

- The Overview and Scrutiny Committee's pre-scrutiny of the report, which had resulted in Members noting the report.
- The funding that had been allocated to Redditch Borough Council for the discretionary grant, as Members noted that two separate figures had been quoted in the agenda papers. Officers explained that a typographical error had been made in the policy and this would be amended.
- The deadline for applications to the discretionary business grants scheme. Officers advised that the deadline to apply would be 30th June 2020 and Officers would aim to start

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advertising the funding opportunity as soon as a final decision had been taken on the matter.

- The extent to which schemes at other authorities in Worcestershire had been taken into account when developing the Discretionary Business Grant Policy for Redditch. Officers advised that the policies developed by Wyre Forest District Council and Wychavon District Council had been considered. There were a number of similarities between those Councils, though local priorities would vary.
- The potential for grant funding to be provided to taxi drivers and taxi firms. Members were informed that many taxi firms had a central office based in small premises and could be eligible for support through business rates relief.
- The action that would be taken to contact businesses that would be eligible to receive business grant funding and how they would be identified. The Committee was informed that a proactive approach would be adopted by Officers and, wherever possible, eligible businesses would be notified of the availability of the funding.
- Members concluded their discussions by thanking the Executive Director of Finance and Corporate Resources, the Financial Support Manager and their team for their hard work in respect of this matter.

RECOMMENDED that

- 1) the guidance for awards of discretionary grants is adopted; and**
- 2) the Executive Director for Finance and Corporate Resources is authorised to finalise the guidance and to make other decisions in relation to the payment of grants, following consultation with the Chief Executive and the Portfolio Holder for Corporate Management.**

The Meeting commenced at 6.30 pm
and closed at 8.18 pm

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