

Appendix 1 - Executive Committee – Additional Information

At the Executive Committee meeting held on 16th February 2021 Members requested additional information in relation to the Medium Term Financial Plan 2021/22 to 2023/24. The questions that were asked have been listed below, together with the response that has been provided by Officers.

Question 1: Please could you provide Further information about the earmarked reserves that have been used to balance the budget for 2021/22?

Answer:

Reserves release breakdown as follows:

Community grants = £1.8k

Economic Growth Development = £200k

Transformational Growth = £50k

Pensions Reserve = £100k

Business Rates Retention Scheme Reserve = £350k

Question 2: Please provide additional information about the Covid-19 grant funding that has been received by the Council from the Government to help manage the impact of the pandemic. Specifically, Members requested further information about the amount of grant funding that had been received and how this had been spent.

Answer:

The Council has received 5 tranches of non-ringfenced general covid-19 grant totalling £1,952,370. There has been expenditure so far of £771,491, which has been spent on general COVID-19 supplies such as new laptops for Council officers, sanitisation stations and equipment and additional support for Rubicon Leisure Limited.

The Council has also received one quarter of ringfenced sales, fees and charges grant to try and help offset the authority's income losses of £157,725. Officers have put a claim in for the second quarter but are still awaiting confirmation of the amount and when this will be paid.

Question 3: Please provide information about the grant funding that had been distributed to local businesses by the Council, to include the total amount distributed, the number of companies that had applied for funding, the number of businesses that received funding and the eligibility criteria.

Question 4: Please provide further information about the amount of grant funding that the Government had provided to the Council to distribute amongst local businesses.

Answer:

A total of £898,000 in Closed Business Lockdown Payments have been released for payment.

In November, the Local Restriction Support Grant schemes were announced, customers are able to apply for these grants on-line and we will use their application to assess entitlement for LRSG for every period from 1st November.

In January when the new lockdown was announced the Government stated a further grant, the Closed Business Lockdown Payment, would be paid for the January lockdown. This would be in addition to the LRSG.

Our software suppliers delivered a solution for the payment of CBLP on 25th/26th January. This solution required that we:

- a) Load the CBLP grant onto the business rates account of the customer
- b) Prompt customers to complete an application for grant.
- c) The grant would then be automatically released to the customer, or held for pre-payment checks, dependant on our parameter choices.

The standard solution was not satisfactory because

- i) There was a danger that customers would not complete both the LRSG and CBLP application and would miss out on grants.
- ii) The customers who had already received payments in November would be required to make a further application
- iii) If pre-payment vetting was not in place there was a danger that customers ineligible for grants would receive the CBLP which we would later discover when assessing the LRSG that they were not eligible for
- iv) The Government provided assurances in relation to the April grants that they would meet the costs of grants paid in error, provided that appropriate steps were taken, no such assurance has been made for CBLP therefore there is a financial risk to the authority if pre-payment assurance is not in place.
- v) Claiming CBLP would only be available where the grant was loaded against the account, if we had not loaded the grant no payment would be available driving demand into the system

We have created a process whereby, when a customer claims LRSG and that claim has been assessed and paid, we are then able to

- a) extract the property reference for which they have claimed
- b) load the CBLP payment into the business rates system
- c) link this payment back to their LRSG claim and pay using the payment details held against their LRSG application.

This process was tested after the release by Civica of their software on 25th/26th January and we were ready to process payments between 8th and 12th of February, unfortunately we lost remote access to the systems due to an update to VM horizon and this removed one and half days testing and delayed the 1st Payment run.

This payment run has been paid today and £898k of CBLP has been released to customers today. We have restricted approximately 15 payments where the NNDR liability and the Grant applicant are not matching. This is mainly due to

customers using their own name on the LRSG application and the business rates account being in a limited companies name. We will run some manual checks on these payments and release them on Friday.

In all future weeks we will pay LRSG claims on Tuesdays and Fridays, we will extract details of these payments and CBLP will be paid the following week.

For information we have received 826 applications for LRSG/ARG and are working on the application in the range 450 to 500 – these were applications received on 18th and 19th January. – we have had an issue with resources on the assessment of RBC grant applications as one of the officers assigned to this task was hospitalised for a number of days due to unexplained dizzy spells, we are moving additional resources to assessment from next week.