

Record of decisions

Leader using urgency powers

Friday, 4 December 2020

Additional Restrictions Grant

Background:

This report set out the latest Government schemes to support businesses impacted by Covid-19 through the Additional Restrictions Grant (ARG). The report sought the Leader's approval, under urgency provisions to agree use of the grant and to agree that proposals be developed for a range of activities and interventions to provide more broad support to Medway's businesses and the economy.

It was noted that the ARG scheme was fully funded by the Government, with Medway's allocation confirmed as £5,571,120. The Government had announced that there would be a new burdens grant to local authorities for the administration and delivery of the LRS (Closed) and ARG schemes, however neither a national quantum nor individual authority funding allocations had been confirmed.

The report set out that in May 2020, the Council had implemented a Discretionary Business Grants Scheme which had delivered 319 grants to businesses in Medway, averaging a payment of £5,793. It was anticipated that c1,600 enterprises would be supported through the LRS (Closed) mandatory scheme. It was estimated that there could potentially be demand for c.400 grants of up to £3,000 each per national lockdown period.

The report set out that up to £1.2m could be spent per national lockdown period. Based on an estimate that there may be at least another two national lockdowns by the end of March 2022, it was proposed that up to £3.6m could be spent through a scheme giving grants to businesses who were not receiving support through the mandatory LRS (Closed) scheme and for whom the restrictions had impacted their turnover by a minimum of 30%, with a payment of up to £3,000 per national lockdown period. The proposed grant scheme for each national lockdown period was outlined in Appendix 1 of the report.

The report also proposed that further evidence based policy development work be undertaken by the Economic Development, Regeneration, Business Intelligence and

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Finance teams to devise a range of activities and interventions to provide more broad support to Medway's businesses and the economy. The report recommended that the remainder of the Council's allocation, c£1,971,120, be allocated to this workstream.

The report noted that the urgency provisions were set out in the Constitution (paragraph 3.2 of Part 3 (Responsibility for Cabinet functions) of Chapter 3 (Responsibility for Functions) of the Constitution).

The Chairman of the Business Support Overview and Scrutiny Committee agreed that the taking of these decisions was urgent and could not be reasonably deferred until the next Cabinet meeting on 15 December 2020, in accordance with Section 11 (Cases of special urgency) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 and Rule 17 (Special Urgency) of the Access to Information Rules (Part 2 of Chapter 4 in the Constitution).

Additionally, and in line with rule 15.11 of Chapter 4, Part 5 of the Constitution, call-in could be waived where any delay likely to be caused by the call-in process would seriously prejudice the Council's or the Public's interests. The Chairman of the Business Support Overview and Scrutiny Committee agreed that the decisions proposed were reasonable in all the circumstances and to them being treated as a matter of urgency and to waive call-in.

Decision number: ***Decision:***

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| 153/2020 | The Leader, using urgency powers, agreed the proposal to use the Additional Restrictions Grant (ARG) to deliver a Discretionary Lockdown Grant Scheme as set out in paragraphs 3.3 to 3.4 and Appendix 1 to this report and agreed to delegate authority to the Chief Finance Officer to consider and determine applications made under this Scheme. |
| 154/2020 | The Leader, using urgency powers, agreed to delegate authority to the Chief Finance Officer, in consultation with the Leader and the Portfolio for Business Management, to make minor amendments to this Scheme to enable it to adapt to the economic environment. |
| 155/2020 | The Leader, using urgency powers, agreed to delegate authority to the Chief Finance Officer in consultation with the Portfolio Holders for Business Management and Planning, Economic Development and Regulation to develop proposals for a range of activities and interventions to provide more broad support to Medway's businesses and the economy as set out in paragraph 3.5 of the report, and report back to the Cabinet as appropriate to obtain any necessary further approvals. |
| 156/2020 | The Leader agreed that recommendations 7.1, 7.2 and 7.3 are considered urgent and therefore should not be subject to call in. |

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Reasons:

Given the severity of the COVID-19 pandemic and the lack of cost to the local taxpayer it is appropriate for the Council to introduce these measures.

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Leader of the Council

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Date

Jon Pitt, Democratic Services Officer

Telephone: 01634 332715

Email: democratic.services@medway.gov.uk

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