

REPORT FROM: CHIEF EXECUTIVE

TO: SPECIAL BUDGET POLICY AND RESOURCES COMMITTEE

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COVID OMICRON GRANT AND ARG SCHEME

PURPOSE OF REPORT

The purpose of the report is to set out the Council's scheme for distributing funds allocated under the Omicron Hospitality, Leisure and Accommodation Grant Scheme and the Omicron Additional Restrictions Grant (ARG) Scheme (PBC Round 6).

RECOMMENDATION

To note the details of the Additional Restrictions Grant scheme (PBC Round 6) as agreed under the Exercise of Urgent Powers.

REASON FOR RECOMMENDATION

To allow Pendle Borough Council to distribute funds to residents in accordance with the guidance and by the deadline of 31 March 2022, it was necessary to agree and launch a scheme without first approving via Committee.

ISSUE

1. Following an announcement prior to Christmas 2021, Government published details of a scheme to help businesses most effected by the Omicron variant on 7 January 2022. This scheme consists of a package of £635 million for targeted grants for hospitality and leisure businesses in England and a further £102 million top-up for the Additional Restrictions Grant.
2. The Grant is split in to two distinct pots, albeit both schemes must follow similar process of application and verification ahead of payment. Previous applications cannot be relied upon when distributing funding. The two pots are:
 - a. Omicron Hospitality, Leisure & Accommodation (HLA) Grant (Total amount allocated £660,051.00)

- b. ARG Round 6 Grant (Total amount allocated £125,698.52), plus the balance of the remaining unspent monies from previous ARG rounds (£195,863) giving a total balance of £321,561.52.
3. The HLA Grant is more prescriptive and the guidance sets the following business types under which a grant payment may be made:
- **Hospitality:** a business whose main function is to provide a venue for the consumption and sale of food and drink
 - **Leisure:** a business that provides opportunities, experiences and facilities, in particular for culture, recreation, entertainment, celebratory events, days and nights out, betting and gaming
 - **Accommodation:** a business whose main lodging provision is used for holiday, travel and other purposes.
4. Grants can be awarded to businesses occupying hereditaments appearing on the local rating list as at 30 December 2021 as follows:
- Rateable Value ≤ £15,000 will receive a payment of £2,667.
 - £15,000 < Rateable value < £51,000 will receive a payment of £4,000.
 - Rateable value ≥ £51,000 will receive a payment of £6,000.
5. A further breakdown of the type of businesses included in each type is shown in Table 1.
6. This scheme is the more straightforward and payment can be made once the application is validated and the scheme can run for longer to give businesses more time to apply.
7. The ARG Grant is more flexible and is offered as part of the wider set of measures to support the nation's economy and its businesses in response to Coronavirus (Covid-19) and those businesses severely impacted by the rise of the Omicron variant.
8. Local Authorities are encouraged to support businesses from all sectors that may have been severely impacted by restrictions, or by the Omicron variant, including those outside of the business rates system.
9. Final guidance on this scheme was issued on 20 January 2022 and this meant that it was necessary for the Chief Executive to agree the scheme under the Protocol for the Exercise of Urgent Powers in the Constitution in order to allow the scheme to be launched on Monday 31 January 2022. The final agreed scheme is set out below.

10. ARG Scheme Proposal

Applications will be prioritised in the following order:

Group 1. Businesses which fall under the Leisure, Hospitality and Accommodation categories but don't qualify for the grant because they were not a rate paying on 30 December 2021 [according to the billing authority's records] are to be prioritised under the scheme and receive £2,667 per business. These business types are included below:

Table 1 – List of Business Types by Category

Support Type	Types of Business	
Hospitality	Food Courts Public Houses / pub restaurant Restaurant	Roadside Restaurant Wine Bars Cafés / sandwich bars
Leisure	Casinos and gambling clubs Cinemas Museums and art galleries Stately homes & historic houses Theatres Zoos & safari parks Amusement parks Wedding venues Events venues Night clubs & discotheques	Arenas Concert halls Tourist attractions Theme parks Amusement arcades Soft play centres or areas Clubs & institutions Village halls & scout huts, cadet huts, etc.
Accommodation	Caravan parks Caravan sites and pitches Chalet parks Coaching inns Country house hotels Guest houses Hostels Hotels Lodge	Holiday apartments, Cottages or bungalows Campsites Boarding houses Canal boats or other vessels B&Bs Catered holiday homes Holiday homes

Group 2. Businesses affected by Omicron under the wider categories such as personal care, the travel and tourism sector, including group travel, travel agents and tour operators, coach and taxi operators, taxi and hackney licence drivers, wedding and events related businesses, wholesalers, English language schools, breweries, gyms, freelance and mobile businesses (caterers, hair and beauty) would then be considered.

Grant payments of either £2,667 for Businesses with fixed property costs and £1,333 for mobile/Home based Businesses with limited property costs.

Group 3. Any other business which can demonstrate hardship as a result of the Omicron variant will then be considered.

Grant payments of either £2,667 for Businesses with fixed property costs and £1,333 for mobile/Home based Businesses with limited property costs.

Businesses benefitting from the Omicron Hospitality, Leisure & Accommodation Business Rates Grant scheme or Pendle's most recent ARG Round 5 scheme are ineligible unless covered below.

PBC reserves the right to make additional awards to businesses should the scheme be under subscribed. Likewise a lower amount may be made should the scheme be oversubscribed.

Summary

11. A summary of the timetable is shown below:

	LHA Grant	ARG Round 6
Opening Date	Monday 31 January 2022	Monday 31 January 2022
Closing Date	Monday 28 February 2022	Friday 11 March 2022
Grant Awards	£2,667 or £4,000 or £6,000 depending upon rateable value	£1,333 or £2,667 depending up business but also subject to over/under subscription
Payments	From Monday 14 March to 31 March 2022 once all applications forms and business details are validated and grant amounts finalised.	Payment can be made once application form and business details are validated.

12. All Local Authorities are required to follow the national guidance and conduct activity to provide assurance that the grants have been paid out in line with the eligibility and State aid/business subsidy allowances conditions for these schemes. As a minimum, Local Authorities must hold the following information on all applicants:

- a. Name of business
- b. Business Trading Address including postcode
- c. Unique identifier (preferably Company Reference Number (CRN)) if applicable. If not applicable, VAT Registration Number, Self Assessment/Partnership Number, National Insurance Number, Unique Taxpayer Reference, Registered Charity Number will also be acceptable)
- d. High level SIC Code
- e. Nature of Business
- f. Date business established
- g. Number of employees
- h. Business rate account number (if applicable)

IMPLICATIONS

Policy: As set out in the report.

Financial: As set out in the report.

Legal: None arising from the report.

Risk Management: None arising from the report.

Health and Safety: None arising from the report.

Sustainability: None arising from the report.

Community Safety: None arising from the report.

Equality and Diversity: None arising from the report.

APPENDICES

None

LIST OF BACKGROUND PAPERS

https://www.pendle.gov.uk/info/20002/business/553/covid-19_grants_for_businesses/6