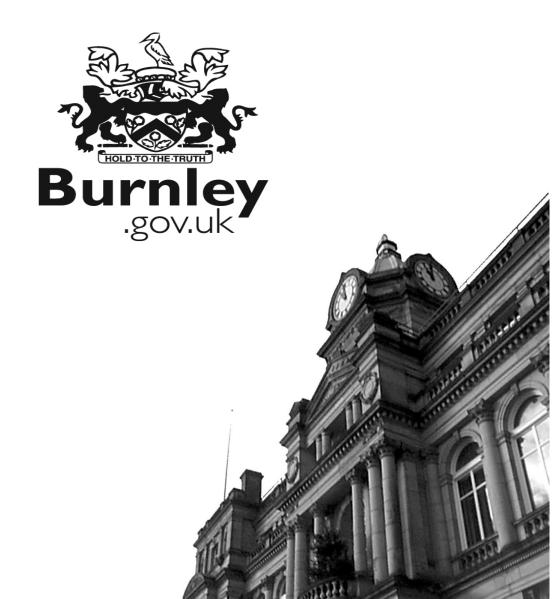
NOTICE OF KEY DECISIONS AND PRIVATE MEETINGS

Friday, 12th February, 2021 5.07 pm





NOTICE OF KEY DECISIONS AND PRIVATE MEETINGS

Friday, 12th February, 2021 at 5.07 pm

This agenda gives notice of items to be considered in private as required by Regulations (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Members are reminded that if they have detailed questions on individual reports, they are advised to contact the report authors in advance of the meeting.

Members of the public may ask a question, make a statement, or present a petition relating to any agenda item or any matter falling within the remit of the committee.

Notice in writing of the subject matter must be given to the Head of Governance, Law & Regulation by 5.00pm on the day before the meeting. Forms can be obtained for this purpose from the reception desk at Burnley Town Hall or the Contact Centre, Parker Lane, Burnley. Forms are also available on the Council's website www.burnley.gov.uk/meetings.

AGENDA

1) Additional Restrictions Grant

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The Executive is requested to approve the recommendations as outlined in the report under urgency powers.

The Chair of the Scrutiny has given agreement to this on 12th February 2021. The Chair of the Scrutiny Committee has also agreed on 12th February to waive call-in due to the urgency of the decision.

Please note that the Executive intends to consider the following key decision report on 15th February 2021 at a meeting of the Executive

MEMBERSHIP OF COMMITTEE

Councillor Mark Townsend	Councillor Sue Graham
Councillor Lian Pate	Councillor John Harbour
Councillor Afrasiab Anwar	Councillor Asif Raja

PUBLISHED



Burnley Borough Council

Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Key Decisions

Notice to Scrutiny Committee Chair under Regulation 10 (1) (a)

Under these Regulations the Council is required to give 28 days notice if it intends to hold a meeting of the Executive in private or partly in private. This is done on occasions where there is a report which contains confidential information. If the Council is not able to give the required notice it must obtain the agreement of the Chair of the Scrutiny Committee that the making of the decision is urgent and cannot reasonably be deferred, and publish a copy of that notice.

The Council is also required to give 28 days' notice if it intends to make a key decision, and is required to give at least 5 days notice if it intends to make an urgent key decision.

If the Council is not able to give the required notice it must obtain the agreement of the Chair of the Scrutiny Committee or other relevant person for the decision to be made as a case of special urgency, and then give notice of the reasons why the making of the decision is urgent and cannot reasonably be deferred.

Set out below is a notice given in line with these requirements, the decision is urgent and cannot reasonably be deferred for the reason stated.

The Chair of the Scrutiny Committee has given agreement to this on 12th February 2021. The Chair of the Scrutiny Committee has also agreed 12th February 2021 to waive call-in due to the urgency of the decision. Please note that the Executive intends to consider the following key decision report on 15th February 2021 at a meeting of the Executive.

It has not been possible to give the required 28 days' notice for the reason set out below:

Reason why 28 day notice could not be given/was impracticable

To seek approval to amend and expand the criteria of the Additional Restrictions Grant scheme approved on 13th November 2020 and amended on 8th January 2021.

To enable the Council to respond quickly to support businesses affected by the COVID 19 pandemic and subsequent restrictions.

Catherine Waudby

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12th February 2021

ITEM NO	

Additional Restrictions Grant

Report to the Executive



DATE 15th February 2021

PORTFOLIO Economy & Growth

REPORT AUTHOR Kate Ingram

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EMAIL kingram@burnley.gov.uk

PURPOSE

1. The purpose of the report is to seek approval to amend and expand the criteria of the Additional Restrictions Grant Scheme approved on 13th November 2020 and amended on 8th January 2021

RECOMMENDATION

- 2. It is recommended that the Executive under urgency powers:
 - Approves the amended eligibility criteria and grant rates as set out in Appendix 1
 - b) Approves a one off top up grant for Nightclub businesses as set out in paragraph 13
 - c) Approves an amendment to criteria for the Hardship Grant scheme set out in paragraph 15
 - d) Authorises a grant application closure date of Friday 26th February 2021
 - e) Delegates authority to Strategic Head of Economy and Growth and Head of Finance and Property to determine grant applications up to £3000/28 day period that fall outside of the ARG scheme but where there is a clear justification, in consultation with Exec Member for Economy and Growth
 - f) Delegates authority to the Exec Member for Economy and Growth to agree future changes to the ARG criteria.

REASONS FOR RECOMMENDATION

3. In line with government's expectations Burnley Council approved a discretionary Additional Restrictions grant scheme on the 14th November 2020 to help those businesses which are severely impacted by the restrictions put in place to control the spread of Covid-19 but are not eligible for either LRSG (closed) or LRSG (Open). The

- scheme was amended on 8th January to reflect the on-going restrictions and national restrictions introduced on the 31st December and 4th January respectively.
- 4. In setting the criteria the Council sought to cover as many businesses as possible and set out a scheme that was fair and proportionate to the size and scale of businesses affected. In line with the national guidance the scheme cannot be used solely for salary costs and businesses must be able to demonstrate some on-going business overheads. As the national lockdown has been extended it has become clear that a wider range of businesses and organisations are being affected that are not eligible under the scheme or are experiencing greater hardship as a result of the extended national restrictions period. Various changes and recommendations are set out in this report to reflect this.
- 5. The Night Club top up reflects the fact that they have had to remain closed since March 2010 but have not received the same level of government support as wet pubs. The prolonged closure is having a disproportionate impact on the sector.
- 6. The proposed grant closure date will enable the Council to take stock of the scheme taking into consideration funds available and the roadmap for re-opening expected to be announced in mid-February. Applications already approved and eligible applications received by the closing date will receive payments under the current criteria. The scheme or a revised scheme may re-open for further applications subject to resources and following the review.
- 7. In order to be flexible to further changes in restrictions and to individual specific business circumstances it is recommended that authority is delegated to Strategic Head of Economy and Growth and Head of Finance and Property in consultation with the Executive Member for Economy and Growth.

SUMMARY OF KEY POINTS

Additional Restrictions Grant Criteria

- 8. The ARG Scheme approved on the 14th November and amended on 8th January is set out in Appendix 1 together with a number of updates as set out below;
- 9. ARG scheme category 2 seeks to support "Hospitality, Leisure and non-essential retail/personal service businesses that are required to close as a result of either national closures and subsequent Tier 3, 4 or 5 restrictions but occupy premises where the landlord is liable for the business rates. These businesses will be eligible for single grant payment of £500 for the period 5th November to 2nd December 2020 and each 28 day period thereafter as long as Tier 3,4 or 5 restrictions remain in place". It was anticipated that most businesses falling into this category would have very low rental overheads. However, there has been two applications where the business is paying a substantial rent (inclusive of business rates) which is not reflected in a grant of £500/28 day period. It is proposed therefore to extend this category to offer grants of between £500 and £1334 per 28 day period depending on the value of the lease and ensuring that occupiers of larger properties receive grants comparable to the LRSG Closed scheme.

- 10. An amendment is proposed to Category 7 Support to small independent essential retailers. The criteria currently state that to be eligible the business would need to remain open for the duration of the restrictions. Whilst this was not an unreasonable requirement when drafted ahead of a month-long lockdown in November, it is becoming clear that there are an increasing number of traders for whom footfall is so low that it is unviable to remain open or where they are needing to close to shield either themselves or other members of their household. This leaves these very small business with on-going overheads and no income. The amended criteria are set out in appendix 1.
- 11. It is proposed to extend Category 9 to include self employed driving instructors, where they can demonstrate on-going vehicle related costs.
- 12. It is also proposed to establish two new categories including:

Category 10 – Charitable Organisations. – for charities that are currently in receipt Charitable Relief that would otherwise be eligible for small business rates relief. To be eligible the charities would need to demonstrate that their ability to operate and raise funds has been significantly affected by COVID 19 or that they have had additional pressures as a result of COVID 19.

Category 11 – ARG Open – this is for businesses (excluding essential retail) that are not required to close but where they are unable to operate or are operating at significantly reduced capacity as a result of COVID 19 restrictions in order to protect staff and customers. This could include for example nurseries, non-statutory education and training providers, social care settings.

Businesses and charities eligible under category 10 and 11 would be paid at the following rates per 28 day period:

	Open/Reduced	Closed
	Capacity	
Properties with an RV of less than £15,000;	£934	£1334
Properties with an RV between £15.001 to £50,999	£1,400	£2000
Properties with an RV over £51,000	£2,100	£3000

ARG Top Up Payment for Night Clubs

13. All wet led pubs, i.e. those pubs that derive less than 50% of their income from food, received a one off Christmas Payment from the Government of £1000 covering the period 2nd December to 29th December when they had to remain closed. They also received LRSG closed support from 17th to 31st October whilst Burnley was in Tier 3 measures Although nightclubs were subject to the same restrictions, they were not eligible for these payments. The prolonged closure of nightclubs together with their limited ability to provide a food offer mean that they have been particularly hard hit by the pandemic. It is proposed to extend the ARG to provide nightclubs with a one off payment of £4100 for night club businesses with the RV of less than £15,000 and £5,700 for night club businesses with an RV greater than £15,000. There are five eligible businesses. It is proposed to administer the grant in the same way as the Pub Christmas Payment.

Hardship Grants

14. In 8th January a Hardship scheme was approved. The amendments set out below reflects the extended lockdown period and to permit in exceptional circumstances and where it can be demonstrated that the extra support will aid recovery, investment and job safeguarding the Hardship scheme to support businesses that have been in receipt of LRSG funding.

"The Hardship Fund is open to businesses in key sectors that either provide an important service to the borough or provide a significant economic/employment benefit that are facing significant and potentially longer term financial difficulties due to the COVID 19 pandemic. Businesses may be eligible for a one off grant where they have significant ongoing overheads and where an ARG intervention would safeguard jobs. The scheme is primarily aimed at open to businesses that have not been in receipt of other government grant assistance LRSG. In exceptional circumstances business in receipt of LRSG will be considered, subject to grant availability and where they can demonstrate that additional assistance through the Hardship scheme would support recovery and safeguard jobs.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

- 15. Burnley Council was initially awarded an ARG allocation of approximately £1.8m, available to spend until end March 2022. Following the announcement of the latest national restrictions the Council was informed that it would receive an additional £700,000.
- 16. Initial take up of the ARG was poor although applications have increased since the start of the new year. Up to the 2nd February 347 applications have been received. 93 have been approved and payments worth £416,069 have been made with ongoing commitments of approximately £77,000 per month that the lockdown continues. 50 applications were ineligible or should have applied for LRSG. There are 204 grants pending assessment. Should all of these be approved there would be a commitment of £538,000 to the 21st of April, plus any on-going commitments as long as restrictions apply. This will be reviewed following the grant closure date on 26th February.
- 17.Officers continue to promote the schemes via social media and business networks. The BID continues to promote the business grants to Burnley Town Centre businesses.
- 18. Based on existing knowledge and previous discretionary grant applications officers are now pro-actively identifying and approaching potentially eligible businesses.

POLICY IMPLICATIONS

19. The decision supports the Council's strategic priorities for economy and growth and the recently adopted Economic Recovery and Growth Strategy

DETAILS OF CONSULTATION

20. All Executive Member 21. All Group Leaders

BACKGROUND PAPERS

22. None

FURTHER INFORMATION

PLEASE CONTACT: Kate Ingram Ext 7271

ALSO:



Burnley Additional Restrictions Grant Scheme Eligibility Criteria

Amended and applicable from 3rd December 2020

PLEASE READ THE ELIGIBILITY CRITIERIA CAREFULLY AND IF YOU FEEL YOUR BUSINESSES MEETS THE CORE ELIGIBLITY CRITERIA AND ONE OF THE SCHEME'S CATERGORIES LISTED BELOW PLEASE CLICK ON PROCEED TO THE APPLICATION TAB.

To be eligible Businesses must meet all the core eligibility criteria and the criteria set out in one of the categories below.

Core Eligibility Criteria:

- the business is not eligible for Local Restrictions Support Grants Open or Closed
- the business was open and trading as usual on 4 November 2020, 31st December 2020 or 5th January 2021.
- the business must be based in Burnley
- Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the Covid-19 Temporary State Aid Framework.
- Businesses that are able to continue to trade and can operate their services effectively remotely are not eligible.
- Businesses that have chosen to close but are not required to close will not be eligible.
- For the avoidance of doubt, businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under this scheme.

Category 1

Hospitality and Leisure businesses that are required to close, on 5th November as a result of either national closures and subsequent Tier 3, 4 or 5 closures but do not occupy commercial premises and are not liable for business rates. This could include for example, small B&B/Guest houses/self-catering accommodation that pay Council Tax, leisure craft and boat hire operators. These businesses will be eligible for single grant payment of £500 for the period 5th November to 2nd December 2020 and each 28 day period thereafter as long as Tier 3, 4 or 5 restrictions remain in place

Hospitality and Leisure businesses may also be eligible for support back dated to 5th August¹ at a rate of £500 per 28-day period.

Businesses must complete the application form and provide evidence requested.

Businesses that have already applied for and been awarded grants for the period 5^{th} November to 2^{nd} December do not need to re-apply for subsequent payments.

Should businesses wish to apply for the additional funding backdated to 5th August then they must supply a written statement with their application setting out how the restrictions have impacted on their business and also show how the businesses income levels have been affected during that period.

Category 2

Hospitality, Leisure and non-essential retail/personal service businesses that are required to close as a result of either national closures and subsequent Tier 3, 4 or 5 restrictions but occupy premises where the landlord is liable for the business rates. These businesses will be eligible for single grant payment equal to one months rentup to £3000for the period 5th November to 2nd December 2020 and each 28 day period thereafter as long as Tier 3,4 or 5 restrictions remain in place, depending on the lease costs.

Hospitality and Leisure businesses may also be eligible for support back dated to 5th August at rate of £500 per 28-day period.

Businesses will be required to provide to complete an application form and provide evidence of a lease/licence agreement.

Businesses that have already applied for an been awarded grants for the period 5^{th} November to 2^{nd} December do not need to re-apply for subsequent payments.

Should businesses wish to apply for the additional funding backdated to 5th August then they must supply a written statement with their application setting out how the restrictions have impacted on their business and also show how the businesses income levels have been affected during that period.

Category 3

Businesses that are required to close on 4th November and remain closed after the 2nd December, but lease or sub lease a property that is exempt from business rates, e.g., places of worship, properties in historic parks and gardens, are eligible for a single grant payment equal to one month's rent up to a maximum value of £1,500 for the period 5th November to 2nd December and for each 28 day period thereafter as long as Tier 3,4 or 5 restrictions remain in place

Hospitality and Leisure businesses may also be eligible for support back dated to 5th August on the same basis.

Businesses will be required to provide to complete an application form and provide evidence of a lease/licence agreement. Businesses that have already applied for and been awarded grants for the period 5^{th} November to 2^{nd} December do not need to re-apply for subsequent payments

Should businesses wish to apply for the additional funding backdated to 5th August then they must supply a written statement with their application setting out how the restrictions have impacted on their business and also show how the businesses income levels have been affected during that period.

Category 4

Businesses that are required to close that have a RV in excess of £100,000 that meet the definition of a small and medium sized enterprise², will receive a single top up payment of £2000 to cover the period 5th November to 2nd December, and each 28 day period thereafter as long as Tier 3, 4 or 5 restrictions remain in place

Businesses will need to complete an application form, provide evidence that they meet the criteria of an SME. Businesses that have already applied for an been awarded grants for the period 5^{th} November to 2^{nd} December do not need to re-apply for subsequent payments.

Category 5

Businesses that supply products and services to businesses that have been forced to close (for example the hospitality, leisure and events sectors, non-essential retail and education) ,that are liable for business rates where they are able to demonstrate that at least 50% of their income is derived from supplying closed businesses. Grants will be paid at the following rate:

Properties with a rateable value of less than £15,000; £934

Properties with a rateable value between £15,001 to £50,999 £1,400

Properties with a rateable value over £51,000 £2,100

Qualifying businesses will be eligible for further payments for each 28 day period of Tier 3,4 or 5 restrictions at the above rate.

In exceptional circumstances the Council can award a higher rate in line with LRSG (Closed) for example where a business is effectively unable to trade even though it is permitted to open.

Business supplying the Hospitality and Leisure sector may be eligible for support back dated to 5th August at the same rate.

Businesses will be required to provide a written statement which demonstrates that the businesses supplies into that 50% or more of the businesses turnover is from these sectors. Businesses that have applied and been awarded grants for the period 5^{th} November to 2^{nd} December do not need to re-apply for subsequent payments.

Should businesses wish to apply for the additional funding backdated to 5th August then they must supply a written statement with their application setting out how the restrictions have impacted on their business and also show how the businesses income levels have been affected during that period.

Category 6

Businesses that supply products and services to businesses that have been forced to close (for example hospitality, leisure and events, non-essential retail and education) that are outside of the rates system but are able to demonstrate on-going fixed overheads (excluding wages) that are effectively closed. These businesses will be eligible for a single grant of £500 covering the period 5th November to 2nd December and each 28 day period thereafter that Tier 3,4 or 5 restrictions apply.

Businesses will be required to provide a written statement explaining the nature of the businesses and how the current restrictions mean that the business is effectively closed. ARG cannot be used to pay for wage costs (the SEISS and the JRS provide for this) but can be used to cover other fixed over heads. Fixed overheads could include for example, insurances, hire purchase/lease costs for business equipment, storage costs, pitch fees, and applicants will need to set out these costs in their written statement of these costs.

Category 7

Small independent essential retail businesses (including takeaways) that are able to remain open and are liable for business rates, but where they can demonstrate a substantial reduction in either footfall or turnover of at least 20% as a result of national, tier 4 and tier 5 travel restrictions, the closure of offices and neighbouring retail businesses. To be eligible the business must be open and trading on the 5th November, or on any subsequent date that Tier 4 or 5 restrictions come into place and remain open throughout the restrictions period except where the business makes a case for temporary closure for all or part of the restrictions period. Grants will be paid at the following rate as a single payment for the period 5th November and ending on 2nd December 2020 and each 28 day period thereafter that Tier 4, 5 or national restrictions apply:

Properties with a rateable value of less than £15,000; £934

Properties with a rateable value between £15.001 to £50,999 £1,400

Businesses will be required to provide a written statement explaining how they have been affected including financial information to demonstrate a of a decrease in turnover or footfall of 20% or more,, compared to the previous three-month period (Aug – October 2020). Where businesses have closed temporarily during the national restrictions they should provide an explanation as to why. This may be on grounds of viability or safety reasons.. Businesses that have applied and been awarded grants for the period 5th November to 2nd December do not need to re-apply for subsequent payments.

Category 8

Taxi hire businesses that occupy premises with a rateable value that are able to demonstrate a significant reduction of at least 20% in turnover will be eligible for a grant at the following rate per 28-day period starting 17th October³ and each 28 day period thereafter that tier 3, 4 or 5 restrictions apply

Properties with a rateable value of less than £15,000; £934

Properties with a rateable value between £15.001 to £50,999 £1,400

Properties with a rateable value over £51,000 £2,100

Businesses will be required to provide a written statement demonstrating how the business has been impacted due to the restrictions. The statement will also need to include a financial statement demonstrating a 20% financial reduction in the business for the period 17^{th} October to 2^{nd} December. Businesses that have applied and been awarded grants for the period 5th November to 2nd December do not need to re-apply for subsequent payments.

Category 9

Self Employed Hackney Cab and Private hire drivers and driving instructors are eligible for a one-off grant of £500 for the period 17th October to 2nd December, where they are able to demonstrate a substantial (20%+) reduction in business (e.g., turnover, income) as a result of the Tier 3 and national restrictions and where they can demonstrate on-going fixed overheads This will be extended to a £500 payment for each 28 day period that Tier 3,4 or 5 restrictions are applicable.

Businesses will be required to provide a written statement demonstrating how the business has been impacted due to the restrictions. The statement will also need to include a financial statement demonstrating a minimum 20% financial reduction in the business for the period 17th October to 2nd December. Additional Restrictions Grant cannot be used to pay for wage costs (the Self-Employed Income Support Scheme and the Job Retention Scheme provide for this) but can be used to cover other fixed over heads. Fixed overheads could include for example, insurances, hire purchase/lease costs for business equipment, storage costs, license fees, and applicants may need to provide evidence of these costs at a later date. Businesses that have applied and been awarded grants for the period 5th November to 2nd December do not need to re-apply for subsequent payments.

Category 10 – Charitable Organisations. – for charities that are currently in receipt Charitable Relief that would otherwise be eligible for small business rates relief. To be eligible the charities would need to explain why they have completely closed or the impact of being open but operating at reduced capacity. Charities will be paid at the following rates:

	Open/Reduced	Closed
	Capacity	
Properties with an RV of less than £15,000;	£934	£1334
Properties with an RV between £15.001 to £50,999	£1,400	£2000
Properties with an RV over £51,000	£2,100	£3000

Category 11 – ARG Open – this is for businesses (excluding essential retail) that are not required to close but where they are unable to operate or are operating at significantly reduced capacity as a result of COVID 19 restrictions in order to protect staff and customers. This could include for example nurseries, non-statutory education and training providers, social care settings. Businesses will be paid at the following rates:

	Open/Reduced	Closed
	Capacity	
Properties with an RV of less than £15,000;	£934	£1334
Properties with an RV between £15.001 to £50,999	£1,400	£2000
Properties with an RV over £51,000	£2,100	£3000

The Council's decision is final and there is no process of appeal.

Notes: -

Businesses Required to Close: https://www.legislation.gov.uk/uksi/2020/1200/schedule

¹ This is the date Burnley entered Local Covid Alert Level 2.

 ² Enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro."
 ³ This is the date Burnley entered Local Covid Alert Level 3