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Cherwell District Council

Executive

Minutes of a meeting of the Executive held as a virtual, on 1 June 2020 at 6.30 pm

Present: Councillor Barry Wood (Chairman), Leader of the Council
Councillor George Reynolds (Vice-Chairman), Deputy Leader of the Council & Lead Member for Leisure and Sport

Councillor Colin Clarke, Lead Member for Planning
Councillor Ian Corkin, Lead Member for Customers and Transformation
Councillor John Donaldson, Lead Member for Housing
Councillor Tony Ilott, Lead Member for Financial Management and Governance
Councillor Andrew McHugh, Lead Member for Health and Wellbeing
Councillor Richard Mould, Lead Member for Performance
Councillor Lynn Pratt, Lead Member for Economy, Regeneration and Property

Also Present: Councillor Sean Woodcock, Leader of the Labour Group

Apologies for absence: Councillor Dan Sames, Lead Member for Clean and Green

Officers: Yvonne Rees, Chief Executive
Steve Jorden, Corporate Director Commercial Development, Assets & Investment
Ansaf Azhar, Corporate Director of Public Health & Wellbeing
Nick Graham, Director of Law and Governance / Monitoring Officer
Robert Jolley, Assistant Director: Growth & Economy
Nicola Riley, Assistant Director: Wellbeing
Belinda Green, Operations Director - CSN Resources
Louise Tustian, Head of Insight and Corporate Programmes
Natasha Clark, Governance and Elections Manager

1 **Declarations of Interest**

There were no declarations of interest.

2 **Petitions and Requests to Address the Meeting**

There were no petitions or requests to address the meeting.

3 **Minutes**

The minutes of the meeting held on 2 March 2020 were agreed as a correct record and would be signed by the Chairman in due course.

4 **Chairman's Announcements**

There were no Chairman's announcements.

5 **Discretionary Business Grant Fund Policy**

The Executive Director Finance submitted a report to update Members on the recently announced Discretionary Business Grant fund, the work that had been undertaken so far and the options for a scheme for Cherwell District Council. The report also sought consideration of the options for a scheme and approval for the draft Discretionary Business Grant policy.

Resolved

- (1) That the contents of the report and the financial implications for the Council be noted.
- (2) That, having given due consideration, the recommended option (option 3, to introduce 4 categories of businesses to assist and to allocate funding envelope to each category to be allocated at officer discretion) for a scheme be agreed and the adoption of a Discretionary Business Grant Policy (annex to the Minutes as set out in the Minute Book) be approved.
- (3) That delegated authority be granted to the Section 151 Officer in conjunction with the Lead Member for Finance to make amendments to the draft policy as required.

Reasons

In response to the Coronavirus, the Government has announced a Discretionary Business Grant Fund to support small businesses who were not eligible for the original Small Business Grant Fund or the Retail, Leisure and Hospitality Fund

Alternative options

Option 1: Members could choose not to approve the proposed scheme, but this would mean the Council is not complying with Central Government guidance and this would be to the detriment of local businesses and economy

6 Performance, Finance and Risk Monitoring Report

The Director of Finance and Head of Insight and Corporate Programmes submitted a report which summarised the Council's Performance, Risk and Finance monitoring position as at the end of March 2020.

Resolved

- (1) That the monthly Performance, Risk and Finance Monitoring Report be noted.
- (2) That the expected costs and loss of income expected relating to Covid-19 in the first quarter of 2020/21 be noted.
- (3) That, having given due consideration, the following carry forward requests from 2019/20 to 2020/21 totalling £217,000 be approved:

<u>Service Area and description</u>	£000s
Law and Governance - to top up the District Election reserve	55
Digital and IT - IT Support for SNC/CDC split	60
Human Resources - Midland HR implementation	15
Property - To fund washroom and Kitchen refurbishment	50
Environmental Services - funding of the Climate Change Consultant	7
Regulatory Services - Primary Authority contractor support services	30
	217

Reasons

The Council is committed to performance, risk and budget management and reviews progress against its corporate priorities on a monthly basis.

This report provides an update on progress made so far in 2019-20 to deliver the Council's priorities through reporting on Performance, the Leadership Risk Register and providing an update on the financial position.

Alternative options

Option 1: This report illustrates the Council's performance against the 2019-20 business plan. As this is a monitoring report, no further options have been considered. However, members may wish to request that officers provide additional information.

7 Notification of Urgent Action by Chief Executive

The Chief Executive submitted a report to inform the Executive of two decisions taken under urgency powers by the Chief Executive in relation to Park and Charge and Meeting Oxford's Unmet Housing Need.

Resolved

- (1) That the decision taken under urgency powers by the Chief Executive in relation to Park and Charge be noted.
- (2) That the decision taken under urgency powers by the Chief Executive in relation to Meeting Oxford's Unmet Housing Need be noted.

Reasons

In line with the Constitution this report is informing Executive of two decisions that were taken by the Chief Executive under urgency powers.

Alternative options

Option 1: Not to note the report. This is not recommended as the urgent action has been taken and it is a constitutional requirement for it to be reported to Executive.

8 Urgent Business

There were no items of urgent business.

9 Exclusion of the Press and Public

Resolved

That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the ground that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part 1, Paragraph 3 would be disclosed to them, and that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

10 Supplier Relief at Leisure Sites in Response to Covid-19

The Director of Public Health submitted an exempt report to consider supplier relief at leisure sites in response to Covid-19.

Resolved

- (1) As set out in the exempt minutes
- (2) As set out in the exempt minutes
- (3) As set out in the exempt minutes

Reasons

As set out in the exempt minutes

Alternative options

As set out in the exempt minutes

11 **Director Law and Governance & Monitoring Officer**

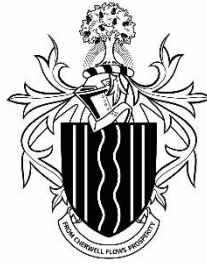
The Chairman advised Executive that this was the last meeting that the Director Law and Governance & Monitoring Officer would be attending as he was leaving Cherwell District Council on 10 June 2020 to take up a new role at Buckingham Council.

Members thanked the Director Law and Governance & Monitoring Officer for his hard work for the council and support and advice to Members and wished him well in his new post.

The meeting ended at 7.15 pm

Chairman:

Date:



Discretionary Business Grant Fund Policy

Background to policy

1. The government has announced a Discretionary Business Grant Fund to be targeted at small businesses that have high fixed property related costs but are not eligible for the current Small Business Grant Fund or Expanded Retail Discount Grant Fund.
2. Cherwell District Council has been awarded just under £1.2m to distribute to eligible businesses. The Government has confirmed that Council is unable to exceed this level of funding. The government has set some national criteria which the Council must follow in terms of which businesses it can support but has given limited discretion to local authorities to determine which businesses to support within those criteria. In determining this policy, the Council has sought to balance the amount of overall money it has received to distribute, with the number of businesses it can support.

Government guidance

3. The government has set the following criteria that a business must meet in order to be eligible to apply (not necessarily be granted) for the Discretionary Business Grant Fund:
 - Must be a Small or Micro businesses, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006 (see points 4 and 5 below)
 - 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, annual mortgage payments below £51,000 (where a rateable value exists this will be the figure used)
 - The business must have been trading on 11 March 2020

- The business must not have been eligible or received a grant from the existing grant scheme or other support schemes - please refer to the Council's website prior to applying if you are unsure which grant scheme you might be eligible for
4. Under the Companies Act 2006, a **Small 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 staff headcount of less than 50.
 5. Under the Companies Act 2006, a Micro 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 staff headcount of not more than 10.
 6. The government criteria can be seen in full here:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/885011/local-authority-discretionary-grants-fund-guidance-local-government.pdf

Eligibility

7. 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 Business Grants Fund. Such grant schemes include but are not limited to:
 - 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.
8. Businesses who have applied for the Coronavirus Job Retention Scheme and the Self-Employed Income Support Scheme **are** eligible to apply for this scheme.

9. Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
10. In addition to the criteria above the government has also asked the Council to prioritise the following types of business.
 - Small businesses in shared offices or other 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; (please see definition)
 - Charity properties in receipt of charitable rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief and are not eligible for a grant through the Expanded Retail Discount Relief scheme.
11. Government has made it clear that this list is not exhaustive but is intended to guide local authorities and that the Council has the discretion to issue grants to businesses not covered by the above list but that we **do not** have discretion to help businesses that don't meet the criteria set out under the national criteria or eligibility criteria list.

Guiding Principles

12. It is recognised that each local authority area will have its own specific economic make up and that need will be different in each area. The council anticipates that the demand for the discretionary grants will be greater than the amount of money we have received from government and as such it is important that we clearly set out the principals that will guide the council in determining which businesses it is able to help and which it will not.
13. The goal is to try and support as many businesses as possible with the money received from government while keeping the individual grant amounts high enough that they will provide meaningful support to those businesses.
14. The council recognises through its experience in administering the current grants scheme and through its knowledge of the local economy that certain business types that are particularly prevalent in the district have not been eligible for support under the existing grant scheme. As such the Council has made the decision to include them within the discretionary element of this scheme. The Council is also aware that businesses may have been awarded an OXLEP Business Resilience Grant and this will be taken into consideration in the Discretionary Grant decision making process.

Categories of business

Category A

Priority businesses as outlined in the government guidance including:

1. Small micro businesses in shared offices or other workspaces who do not have their own business rates assessment
2. Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment
3. Bed and breakfast which pay Council tax instead of business rates
4. Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief

Category B

Small businesses with a RV of under £51,000 whose business relates to retail, hospitality or leisure, and not eligible for SBRR or expanded retail relief.

Category C

Businesses that do not fall into the above categories but have been identified as suffering exceptional hardship due to ongoing fixed property related costs and which support the wider business strategic priorities for Cherwell. This category will be at the discretion of the Council and can only be considered if there is adequate funding remaining

15. It is important to note that this grant scheme is per business not per hereditament (property). Businesses with more than one property will only be eligible for one grant. If a business received a grant under the Small Business Rate Relief or Extended Retail Discount Relief scheme for other properties, they **will not** be eligible for this grant, as per the government guidelines.

How much is available?

16. The Council has received just under £1.2m in additional funding from the government to facilitate this Discretionary Business Grant Fund scheme. It is the intention of the Council to facilitate this scheme within that total amount without additional local top up which would be unaffordable for a District Council.
17. How much a business receives will depend on their specific circumstances with a maximum cap of £10,000 for any one business. The main factor considered in the determination of the grant payable will be:

- ongoing property related costs
- the financial impact of the Covid 19 crisis.

While the maximum cap is £10,000 grants will range from £2,500 up to £10,000. The Council reserves the right to change the amount of grant awards depending on the number of applications received.

Application process

18. It is not possible for the Council to quantify how many businesses are in our area which will potentially meet the criteria set out in the policy. The reason for this is that the council does not hold enough data on how many businesses may fall into these categories. Therefore, to process applications on a first come first served basis may lead to some businesses with greater need missing out on a grant because the money allocated by government becomes fully committed. The Council believes this is unfair and that it is important that the money is allocated based on need not those quickest to make an application.
19. To overcome this issue the Council will launch a 14-day window for businesses that think they may be eligible for the grants under this scheme to lodge an application with relevant supporting documents. Once the 14-day window has expired the Council will review the applications against the criteria set out above. If the number of grants applied for does not exceed the amount of funding available, then all eligible grants will be paid subject to a validation process . If the number of valid applications exceeds the amount of funding available, applications will be determined based on need. The definition of 'need' in this case will be businesses with a higher % of turnover that is used for property related costs and the businesses with a higher % of dropped revenue which will be evidenced.
20. The Council has created an online form for applications, this is the only mechanism through which the Council will accept applications. For businesses who do not have access to the internet, please contact us and the Council will be able to assist you by sending a paper form. You will need to provide documentary evidence to support your application, so please ensure you have collated relevant documentation prior to seeking support from the Council.
21. It will be important that you provide all the information accurately and truthfully and provide all the supporting documents that are requested. Failure to do so could lead to your application being declined or significantly delayed.
22. Once the 14-day application window has closed, the Council will seek to reach a decision within 10 working days of receipt of all the required information, payments usual take 3 working days to arrive in accounts.
23. If there is additional funding remaining after the first round, the Council will open additional funding rounds.
24. You must answer all the questions honestly when completing your application, if the Council suspects any business is trying to fraudulently claim the grant, it will

investigate accordingly. Where evidence of fraud is present, we will prosecute the offending business.

Appeals Process

25. There is no right to appeal, and the decision of the Council is final.
26. The Council's interpretation of this document is at its own discretion and it will be the final arbiter of the definitions contained within this policy.
27. This scheme is not intended to cover all businesses that have not been included in the initial government grant scheme. There are other avenues of support that businesses have available through the other government schemes.

State Aid

28. 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.
29. The Council will require each business to confirm that by accepting the grant payment, the business confirms that they are eligible for the grant scheme, including that any payments accepted will follow State aid requirements.

Tax

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

What evidence will I need to provide?

31. The Council is relying on businesses to be honest and open with the Council and present to us their evidence of need and eligibility for the Discretionary Business Grant Fund.

32. As part of your application you will need to provide the following information as appropriate. The Council may request further information to support your claim.

Information	Evidence Required	Comment
Payment details	Copy of bank statement clearly showing bank account name, business address, sort code and account number and a utility bill clearly showing your business address	This must match the name of the business or individual listed on the business rates bill or lease/mortgage agreement
Evidence of ongoing Rental or Mortgage costs or other fixed property related costs	You will need to provide a copy of your current lease agreement or mortgage agreement	This must clearly show the financial contribution you are required to make as part of the agreement
Evidence you are a small or micro business	This will be done by way of self-declaration on the online application form	Please see points 4 and 5 for definitions
Evidence of a significant fall in income due to Covid-19	You will need to provide evidence of reduced income.	Where a company was not trading in April 2019, we will accept another month's turnover. It is at the businesses discretion what form this evidence takes but it must clearly show the turnover of the businesses for these periods
Evidence of trading on 11 March 2020	Where you have a business rates account this will be enough as the date liable will be used. For businesses that are not rated you will need to provide evidence.	This could be in the form of stock orders (pre dating 11 March 2020), lease agreements etc.
Evidence of eligibility under State aid rules	This will be done by way of self-declaration on the online application form	If you are unsure whether State aid applies to your business, you will need to seek independent legal advice.

Definitions

33. "Relatively high fixed property related costs" – this relates to your mortgage or rental cost associated (including bills) with your property.
34. "Significant fall in income" – you must be able to demonstrate the fall in income is related to Covid-19, "significant" for the purpose of this scheme will mean a drop of 25% or more when comparing turnover for April 2019 to April 2020. Where income has dropped less than 25% but you are able to demonstrate a significant increase in costs due to Covid-19, then this will also be considered.

35. “Bed and Breakfast” - you will need to be registered as a food businesses with the Council to be eligible as a Bed and Breakfast. Airbnb’s that do not serve breakfast and not registered with the Council as a food business are specifically excluded from this scheme.

Data Protection

36. The Council treats all its information that it holds on file with the upmost care and confidentiality. For more on our Privacy Policies and to see how we use and share your data, please see our website

Right to Update this Policy

37. The Council reserves the right to update and change this policy without notification or prior warning in the event that the government updates or changes its guidance to us or in the event of an error or omission.