

TONBRIDGE & MALLING BOROUGH COUNCIL
ECONOMIC REGENERATION ADVISORY BOARD

01 September 2021

Report of the Chief Executive

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 ADDITIONAL RESTRICTIONS GRANT POLICY

Having successfully distributed its initial £3.817m Additional Restrictions Grant (ARG) allocation ahead of the 31 July 2020 deadline, on 16 July 2021 the Borough Council received an additional £1.054m of ARG funding from Central Government to use to support local businesses as the economy moves towards a period of recovery. This report sets out an amended policy to support businesses in key sectors through a new grant scheme.

1.1 Background

- 1.1.1 In November 2020, the Council was allocated Additional Restrictions Grant funding to use as discretionary grant support for businesses that were ineligible for the Local Restrictions Support Grants being distributed by the Business Rates Team. In total, the Council received £3.817m of Additional Restrictions Grant funding to distribute by the end of July 2021.
- 1.1.2 Over the course of 4 funding rounds, the Council managed to distribute all the funding to local businesses by the end of May 2021.
- 1.1.3 Having successfully distributed the funding ahead of the deadline, Central Government gave the Council an additional £1.054m to support local businesses through discretionary grants for the period up until March 2022.
- 1.1.4 Some of this allocation has already been used to fund existing applicants to the ARG (Discretionary) Restart Grants Scheme, however at the time of writing this report it is estimated that there will still be around £800,000 remaining to distribute to local businesses through this amended policy.

1.2 New Additional Restrictions Grant Policy

- 1.2.1 In July 2021, a second round of the ARG (Discretionary) Restart Grants Scheme was opened to make sure that those businesses that had not applied for funding during the first round (in April-May 2021) were given an additional opportunity to do so.

- 1.2.2 This second round was quieter than all the previous rounds of Additional Restriction Grants, with just over 70 applications, reflecting two key points. Firstly, most businesses in need of funding support had already applied in the first round, and secondly, as the economy started to open up again, most businesses were more focussed on getting up and running again rather than looking for funding support from Government.
- 1.2.3 However, there are still businesses approaching the Council to ask about funding support due to the level of impact on their business, and the slowness of their recovery. These businesses are almost exclusively within a small number of sectors:
- Entertainment/Leisure/Activity venues (including a number of pubs, especially those that are wet-led or have no outside space)
 - Travel and Tourism businesses, or businesses that rely on foreign visitors (such as English Language Schools)
 - Events businesses (and suppliers to the events industry)
 - Wraparound care providers (including nursery care)
 - Certain suppliers to these sectors
- 1.2.4 The amended policy set out in Appendix 1 aims to establish a focus on supporting the above sectors by providing a small additional grant to businesses that have previously applied to Rounds 1 and 2 of the ARG (Discretionary) Restart Grant or the Mandatory Restart Grant.
- 1.2.5 The original intention had been to provide this funding as an automatic payment (off the back of their original application to the previous Restart schemes). However, on 23 July 2021 Central Government released new guidance that requires businesses that have previously not received ARG funding to fill in an application form to access grant support. This would mean any eligible business that received a Mandatory Restart Grant would need to fill in an application form, whereas eligible businesses that previously applied to Rounds 1 and 2 of the ARG (Discretionary) Restart Grant, would simply need to demonstrate they still meet the eligibility criteria. As such, it is proposed that businesses that the Council has identified as eligible using the above criteria will be invited to apply to the fund through an application process (previous Mandatory Restart Grant recipients) or fill in a short form to confirm eligibility criteria are still met (previous ARG (Discretionary) Restart Grant recipients). Once the submission deadline has passed, the eligible applicants will be awarded funding using the approach set out in section 3.4 of Appendix 1.
- 1.2.6 Should the policy be agreed, it is proposed that the call for applications be opened as soon as possible (late September 2021). The reason for this being that, whilst the amount of correspondence with businesses looking for funding has subsided in

recent months, there are still a good number of businesses that are in need of funding support to keep them going.

1.4 Legal Implications

1.4.1 There are no legal implications arising from this report.

1.5 Financial and Value for Money Considerations

1.5.1 On 16 July 2021, the Council was awarded £1.054m of additional ARG funding from Central Government to use for discretionary grant payments to local businesses.

1.6 Risk Assessment

1.6.1 The application process for the scheme has been designed to minimise risk. The Economic Regeneration team will undertake initial checks, with the Audit Team undertaking further pre-payment checks before payments are made.

1.7 Equality Impact Assessment

1.7.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.8 Recommendations

1.8.1 That the report **BE NOTED**.

1.8.2 That the proposed amended ARG Policy **BE AGREED**.

1.8.3 That, subject to 1.8.2 being agreed, that the timescale as set out in 1.2.6 **BE AGREED**.

The Cabinet Member for Economic Regeneration and the Chief Executive confirm that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

Nil

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