

Report to Council

9 December 2020

By the Chief Executive

DECISION REQUIRED



**Horsham
District
Council**

Not Exempt

Decisions Arising from the COVID-19 Emergency

Executive Summary

The COVID-19 emergency the subsequent lockdown and associated recession has had a devastating impact on businesses across the District. During the November 2020 lockdown the Government rolled out some new business grants across our area, the Local Restrictions Support Grants that were already operating in tier three areas; and the Additional Restrictions Discretionary Grants. These grants came with limited guidance and the Council had to set its own guidelines in order to issue grants. Discussions with other West Sussex Districts suggested that a joint approach to these grants would help the Council because it would reduce the number of complaints about different treatments of businesses across local authority boundaries. Officers across West Sussex prepared a draft proposal by 17 November with the intention to implement on 23 November. This six day window did not allow time for the guidance to pass through Cabinet to Council. Slower implementation would have meant businesses could not receive their grants before Christmas. Therefore, the Chief Executive, made the decision to implement the guidelines on 19 November under emergency powers set out in the Council's Constitution.

This report tells Council about the decision the Chief Executive made on 19 November lockdown under the Head of Paid Services "delegations for an emergency". It asks the Council to note the decision outlined in section 1.4 below.

Recommendations

That the Council is recommended:

- i) To note the decision made by the Chief Executive under his Head of Paid Service powers outlined in section 1.4.

Reasons for Recommendations

- i) The Council needs to make this decision to regularise actions already taken.
- ii) The decision made under Emergency Powers helped expedite the processing of Local Authority Additional Restrictions Discretionary Grants Fund. This will help mitigate the effect of the second lockdown on those businesses that qualify for the Grants.

Background Papers

None.

Wards affected:

All.

Contact: Glen Chipp, Chief Executive, 01403 215101.

Background Information

1 Introduction and Background

1.1 On 3 November, the Government issued guidance that sets out criteria under which business will qualify for the Local Authority Additional Restrictions Discretionary Grants Fund. The guidance can be found by following this link

<https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>

1.2 The West Sussex Districts and Boroughs proposed to adopt a joint set of guidelines based on the Government's guidance to ensure a consistent approach which businesses across West Sussex can use to apply to the grant fund. This will help prevent a 'postcode lottery' from developing.

1.3 The full list of participating authorities is

- Adur District Council
- Arun District Council
- Chichester District Council
- Crawley Borough Council
- Horsham District Council
- Mid Sussex District Council
- Worthing Borough Council

1.4 In order to expedite the distribution of the grants and provide much needed relief to businesses already badly affected by the pandemic, the Chief Executive used emergency powers to adopt the local Additional Restrictions Grant Discretionary Scheme.

1.5 The decision was discussed with the Leader of Council and Finance Portfolio Holder, the Cabinet Member for the Local Economy and Parking and their Liberal Democrat Shadows.

2 Relevant Council policy

2.1 Having a thriving local economy is one of the five key priorities in our Corporate Plan. The COVID-19 outbreak is profoundly impacting our local economy. This effect is especially high because so many of our businesses are small, personal services, shops, restaurants and leisure facilities as well as businesses associated directly and indirectly with the closed operations at Gatwick airport. The decisions reached as part of the Council's Emergency Response were needed to mitigate the damage the lockdown is doing to our economy.

3 Next Steps

- 3.1 The Director of Corporate Resources has started processing Additional Restrictions Grants.

4 Outcome of Consultations

- 4.1 The Leader of the Council, the Cabinet Member for the Local Economy and Parking and their Liberal Democrat Shadows were supportive of using emergency powers to implement the scheme quickly.

5 Other Courses of Action Considered but Rejected

- 5.1 The Council could have not implemented the Additional Restrictions Grants Discretionary scheme until the next Full Council but this would have caused unnecessary hardship to businesses already severely impacted by the lockdown.
- 5.2 The full Council could have been recalled at an earlier date to make the decision remotely. However, the five day publication date would still have resulted in delay in getting grants into payment.

6 Resource Consequences

- 6.1 The Council will be distributing grants in accordance with the guidance issued by Government.
- 6.2 The grants are funded by the Government.
- 6.3 The cost of administering the grants is funded through New Burdens' Funding and the majority of the work carried out by our local authority partners LGSS. The work will impact the workloads of our Economic Development and Finance teams during the next few weeks.

7 Legal Consequences

- 7.1 The actions taken to date have been in line with the Chief Executive's emergency powers in paragraphs 3.5.1 2 c) and 3 of the Constitution.

8 Risk Assessment

- 8.1 The issuing of the Additional Restrictions Grants Discretionary Scheme carries a high risk of fraud. LGSS run the grants through the Government's Spotlight fraud checking software and LGSS internal audit are checking claims 20% spot check of claims to mitigate the risk.

9 Other Considerations

- 9.1 The introduction of the Additional Restrictions Grants Discretionary Scheme will lessen the impact of the COVID-19 lockdown and recession on businesses, their owners and employees.