

Manchester City Council Report for Resolution

Report to: Executive – 19 January 2022

Subject: Omicron Hospitality and Leisure Grant funding and extension to the Additional Restrictions Grant

Report of: Deputy Chief Executive and City Treasurer

Summary

This report seeks agreement on the proposed approach to the administration of:

- A new business rates support scheme, Omicron Hospitality and Leisure Grants (OHLG); and
- An extension to the Additional Restrictions Grant (ARG) to support a discretionary element of the above scheme.

The schemes were announced on 21 December 2021 with the formal notification and guidance issued on 30 December 2021. The Council will need to be in the position to start issuing the grants as soon as possible.

The Council will receive £6,090,174 for the OHLG scheme. This represents 90% of the Government's estimated requirement. When this has been fully allocated Government will top up funding to local authorities if required.

For the ARG scheme the Council will receive £999,017. This will not be enough to meet the demand in the city and the Council will have to prioritise applications.

The Council will only be administering funds and budget identified by the government and will not be providing any funding from within Council resources to support these schemes.

This report is intended to expedite this process by ensuring that the appropriate governance and approvals are in place.

Recommendations

It is recommended that the Executive:

- (i) Notes the funding that will be available and supports the delivery of both the OHLG and the ARG top up schemes to provide grants to businesses in the city as detailed within the body of this report.
- (ii) Notes the challenges of administering the grants and the limited funding which means that the Council will have to limit and prioritise awards.
- (iii) Notes that the Leader has granted delegated authority to the Deputy Chief Executive and City Treasurer, in consultation with the Leader, to further

- develop and implement both the core scheme and an extension to the additional restrictions grant (top-up).
- (iv) Grants delegated authority to the Deputy Chief Executive and City Treasurer, in consultation with the Leader of the Council, to develop and implement new or extended schemes involving further tranches of this funding that sit within the same government policy intention for the remainder of the municipal year. This will include decisions up to and including the May 2022 Executive meeting.
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Wards Affected – All wards

Financial Consequences – Revenue

The Council will only be administering funds and budget identified by the government and will not be providing any funding from within Council resources to support these schemes.

The additional work associated with these measures will be administered by the team that has been set up from across the Council to administer the business grants.

New burdens funding will be made available by the government.

The Council will aim to spend within the discretionary budget set by the government for the Additional Restrictions Grant and the Council will not be making an additional contribution from within council funds.

Financial Consequences – Capital

Not applicable

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Background documents (available for public inspection):

The following document discloses important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

- Omicron Hospitality and Leisure Grant funding government press release
- <https://www.gov.uk/government/news/1-billion-in-support-for-businesses-most-impacted-by-omicron-across-the-uk>

- Omicron Hospitality and Leisure Grant funding guidance to local authorities
- https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1044354/omicron-hospitality-and-leisure-grant-guidance.pdf
- Omicron Hospitality and Leisure Grant funding web pages
- <https://www.gov.uk/guidance/check-if-youre-eligible-for-the-omicron-hospitality-and-leisure-grant>

1.0 Background

As part of its response to COVID-19, the government has provided various schemes to support businesses. This includes relief from business rates as well as cash grants administered by the Council.

Most of the main grants ended in the spring of 2021, with final returns to government in the summer.

There was also a discretionary scheme supporting the main schemes called the Additional Restrictions Grant that is due to run until March 2022 at which point any unspent funds should be returned to the government. Appendix One provides a breakdown of grant scheme to date as well as the Additional Restrictions Budget and spend.

Businesses in the retail, hospitality and leisure sectors received 100% rates relief in 2020/21 and 75% relief in 2021/22. All other businesses had to pay their full rates less any existing relief unrelated to covid.

2.0 The Government Announcement of Support

The government press release stated the following funding had been agreed

- Businesses in the hospitality and leisure sectors in England will be eligible for one-off grants of up to £6,000 per premises. In addition, more than £102 million in discretionary funding will be made available for local authorities to support other businesses.
- Government will also cover the cost of Statutory Sick Pay for Covid-related absences for small and medium-sized employers across the UK.
- £30 million further funding will be made available through the Culture Recovery Fund, enabling more cultural organisations in England to apply for support during the winter.

A further government release on 30 December 2021 provided the guidance for the additional ARG funding and the Council's allocation will be £999,017.

3.0 Scope of this report

This report will provide the approach to the first bullet point above which includes both a core scheme with set awards that, subject to meeting core conditionality, are fully reimbursed by government and the development of a discretionary fund operated as an extension to the Additional Restrictions Grant with advice on which areas should be targeted.

The guidance was circulated on 30 December 2021, followed by a webinar for local authority practitioners on 10th January 2022. The individual local authority allocations of the Additional Restrictions Grant are expected to be announced and made available to local authorities early in January 2022.

This report is split into two main areas covering the Council's approach to the following:

- Omicron Hospitality and Leisure Grant
- Extended Additional Restrictions Grant

Any delay processing grants will have a significant impact on the financial support available to businesses who are now expecting the council to deliver a scheme promptly, including a government requirement to make payments before the end of the financial year.

4.0 Omicron Hospitality and Leisure Grant funding

The scheme provides support to hospitality, leisure and accommodation businesses, in recognition that the rise of the Omicron variant means that some businesses are likely to struggle over the coming weeks.

The OHLG scheme provides a one-off grant payment. Funding is made available in the 2021/22 financial year and can only be used in the same financial year.

The scheme will close for applications on 28 February 2022 and all final payments must be made and dispersed to recipients by 31 March 2022.

4.1 Eligibility and amounts paid

The Omicron Hospitality and Leisure Grant scheme is for businesses on the Valuation Office Agency (VOA) ratings list only.

The Omicron Hospitality and Leisure Grant will support hospitality, leisure and accommodation business premises with one-off grants of up to £6,000. The businesses had to be liable for rates on 30 December 2021.

The following thresholds apply for these businesses:

- Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £15,000 or under on 30 December 2021 will receive a payment of £2,667.
- Businesses occupying hereditaments appearing on the local rating list with a rateable value over £15,000 and less than £51,000 on 30 December 2021 will receive a payment of £4,000.
- Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £51,000 or over on 30 December 2021 will receive a payment of £6,000.

The government has given a clear steer on changes to the list and this is included for transparency, as follows.

Any changes to the rating list (rateable value or to the hereditament) after 30 December 2021 must be ignored for the purposes of eligibility. Local Authorities are not required to adjust, pay or recover grants where the rating list is subsequently

amended retrospectively to 30 December 2021. In cases where it was factually clear to the Local Authority on 30 December 2021 that the rating list was inaccurate on that date, Local Authorities may withhold the grant and/or award the grant based on their view of who would have been entitled to the grant had the list been accurate. This is entirely at the discretion of the Local Authority and only intended to prevent manifest errors. In all cases, including those where the rating list is deemed inaccurate, all grant payments must be disbursed from the Local Authority by 31 March 2022.

Businesses will be eligible for this support from 30 December 2021 and Local Authorities must not make payments to businesses before this date. Subject to subsidy allowance conditions, businesses will be entitled to receive a grant for each eligible hereditament. So, some businesses may receive more than one grant where they have more than one eligible hereditament.

4.2 General eligibility

The following guidance has been provided by the government to local authorities in terms of general eligibility.

- i. Where a grant is issued, the business that according to the billing authority's records was the ratepayer in respect of the hereditament on 30 December 2021 is eligible to receive the grant. Where a Local Authority has reason to believe that the information that they hold about the ratepayer is inaccurate they may withhold or recover the grant and take reasonable steps to identify the correct ratepayer. Local Authorities should make clear to recipients that the grant is for the ratepayer and may be liable for recovery if the recipient was not the ratepayer on the eligible day.
- ii. The primary principle of the Omicron Hospitality and Leisure Grant scheme is to support businesses that offer in-person services, where the main service and activity takes place in a fixed rate-paying premises, in the hospitality, leisure and accommodation sectors.
- iii. The Council has been provided with a general list of businesses that fall into scope for hospitality, leisure and accommodation using the valuation office agency codes. This list is indicative of the types of businesses but is not exhaustive. Local Authorities will have to use their local knowledge and the definitions and criteria set out below to assist in making a decision on eligibility of a business for this scheme.
- iv. Businesses will only be eligible where their main service falls within hospitality, leisure or accommodation. If a business operates services that could be considered hospitality or leisure, and also falls into another category, the main service can be determined by assessing which category constitutes 50% or more of their overall income. The main service principle will determine whether a business receives funding. Businesses will need to declare which is their main service. Local Authorities will need to exercise their reasonable judgement to determine whether or not a business is eligible for grants and be satisfied that they have taken reasonable and practicable steps to pay eligible businesses.

- v. It is understood that in some cases it may not be materially clear whether a business falls into one of the eligible categories, so decisions on the eligibility of these businesses will be at the Local Authorities' discretion.
- vi. Businesses must have been trading on 30 December 2021 to be eligible to receive funding under this scheme.
- vii. For the purposes of this grant scheme, a business is considered to be trading if it is engaged in business activity. This should be interpreted as carrying on a trade or profession or buying and selling goods or services in order to generate turnover. Fully constituted businesses in liquidation, dissolved, struck off or subject to a striking-off notice are not eligible under these conditions. To help further, some trading indicators are included below that can help assess what can be defined as trading for the purposes of the grant schemes. Indicators that a business is trading are:
 - The business continues to trade, including online, via delivery services etc.
 - The business is not in liquidation, dissolved, struck off or subject to a striking-off notice or under notice
 - Preparing for reopening, planning and implementing COVID-safe measures

This list of indicators is not exhaustive and Local Authorities must use their discretion to determine if a business is trading.

4.3 Descriptions of hospitality, Leisure and accommodation

4.3.1 Hospitality

For the purposes of this scheme, a hospitality business can be defined as a business whose main function is to provide a venue for the consumption and sale of food and drink.

The Council will be using the following criteria provided by the government to determine and assess whether a business is eligible for a grant under this threshold:

- Businesses offering in-person food and drink services to the general public.
- Businesses that provide food and/or drink to be consumed on the premises, including outdoors.

For these purposes, the definition of a hospitality business will exclude:

- Food kiosks; and
- businesses whose main service (generating 50% or more of income) is a takeaway (not applicable to those that have adapted to offer takeaways during periods of restrictions, in alignment with previous COVID-19 business grant schemes).

4.3.2 Leisure

For the purposes of this scheme, a leisure business can be defined as a business that provides opportunities, experiences and facilities, in particular for culture, recreation, entertainment, celebratory events and days and nights out.

The Council will be using the following criteria provided by the government to determine and assess whether a business is eligible for a grant under this threshold:

- Businesses that may provide in-person intangible experiences in addition to goods.
- Businesses that may rely on seasonal labour.
- Businesses that may assume particular public safety responsibilities.
- Businesses that may operate with irregular hours through day, night and weekends.

For these purposes, the definition of a leisure business should **exclude**:

- all retail businesses,
- coach tour operators,
- tour operators, and
- gyms and sports businesses where physical exercise or training is conducted on an individual basis or group basis.

4.3.3 Accommodation

For the purposes of this scheme, an accommodation business can be defined as a business whose main lodging provision is used for holiday, travel or other purposes.

The Council will be using the following criteria provided by the government to determine and assess whether a business is eligible for a grant under this threshold:

- Businesses that provide accommodation for 'away from home' stays for work or leisure purposes.
- Businesses that provide accommodation for short-term leisure and holiday purposes.

For these purposes, the definition of an accommodation business used by the Council will exclude:

- private dwellings,
- education accommodation,
- residential homes,
- care homes,
- residential family centres and
- beach huts.

4.4 Exclusions to Omicron Hospitality and Leisure Grant funding

The proposed exclusions in the list at paragraphs above are not intended to be exhaustive and the government has stated that it will be for Local Authorities to determine those cases where eligibility is unclear. Billing authorities will have a good understanding of the premises in their areas and will be readily able to form a view on eligibility in the majority of cases.

- (i) Businesses that are not within the ratings system will not be eligible to receive funding under this scheme.
- (ii) Businesses that have already received grant payments that equal the maximum permitted subsidy allowances will not be eligible to receive funding.
- (iii) Businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under this scheme.

5.0 Additional Restrictions Grant top-up

5.1 Background

Enhanced business support settlements were first provided to areas entering Tier 3 restrictions from 14 October 2020. With the 31 October 2020 announcement that national restrictions would be reintroduced, the scheme was extended and formalised into the Additional Restrictions Grant to support all Local Authorities or Combined Authorities. BEIS updated the Additional Restrictions Grant guidance and reissued this on 30 December 2021. This new guidance applies until 31 March 2022.

5.2 Funding

5.2.1 ARG spend to date

The following table shows ARG spend to date with full details included as appendix one,

The government had originally stated that the ARG top up will be prioritised for those authorities who have distributed their existing allocation. This does not appear to have been the case, but local authorities are urged to spend their previous ARG allocation as quickly as possible.

The Council had spent £20.676m or 98.8% of the existing ARG by 31 December with the remainder relating to the support to taxi drivers timed to be paid at the time their license is renewed and will be fully spent by the end of March 2022. There are no further funds available locally to support businesses.

| ARG Schemes | £ | % |
|---|------------|----------|
| Govt allocation to MCC | 20,919,853 | 100.00% |
| ARG Allocated to 31 Dec 2021 (DELTA return) | 20,675,521 | 98.83% |

5.2.2 The December 2021 ARG top up budget

The share of £102 million is the third top up of ARG funding and will be allocated to Local Authorities in England from 30 December 2021. This funding will be allocated based on a per-business calculation.

The guidance note to Local Authorities states that further top-up funding may be allocated at the discretion of Government and confirms that reported data may be used to prioritise those Local Authorities most in need of further payments.

Manchester City Council will receive £999,017 for the discretionary grant scheme top-up.

5.3 Government guidance to Local Authorities to support the development of local schemes

5.3.1 General guidance

The Council's scheme will be based on the following sections from the government's guidance to Local Authorities and this guidance has informed the development of the Manchester scheme.

- (i) Businesses will be required to self-certify that they meet all eligibility criteria. In respect of the third top-up, Local Authorities must verify the evidence provided as part of prepayment checks. Evidence of completed checks must be retained by Local Authorities.
- (ii) The third top-up payment should only be allocated to business support grants and should not fund wider business support measures. All funding provided under this scheme should provide direct support to businesses.
- (iii) 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. These may include, but are not limited to: hospitality, accommodation, leisure, personal care, the travel and tourism sector, including group travel, travel agents and tour operators, coach operators, wedding industries, nightclubs, theatres, events industries, wholesalers, English language schools, breweries, freelance and mobile businesses (including caterers, events, hair, beauty and wedding related businesses), gyms, and other businesses that may have not received other grant funding.
- (iv) There is no restriction on the number of grants a business may receive, subject to subsidy limits.
- (v) Local Authorities are encouraged to focus their support on businesses severely impacted by the rise of the Omicron variant.
- (vi) These lists are not directive nor exhaustive, and Local Authorities should continue to issue grants at their discretion, based on local economic needs.
- (vii) In taking decisions on the appropriate level of grant, Local Authorities may want to take into account the level of fixed costs of the business, the number of employees the business has, whether it is unable to trade online and the consequent scale of coronavirus losses.

- (viii) The grant amounts given to individual businesses will be subject to subsidy allowances.

5.3.2 Government exclusions to Additional Restrictions Grant funding

Based on government guidance the Council's scheme will exclude the following areas that are excluded from Additional Restrictions Grant funding

- (i) Businesses that have already received grant payments that equal the maximum permitted levels of subsidy will not be eligible to receive funding.
- (ii) 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.
- (iii) ARG funding should not be used as a wage support mechanism, for capital projects that do not provide direct business support, or to fund projects whereby Local Authorities are the recipients.

5.3.3 Local consideration and exclusions

Applications will not normally be considered where it is the Council's view that the award of any relief is not in the best interests of the taxpayers of Manchester City Council. Examples of this include:-

Businesses which cause a detrimental impact on the city, our residents, or our communities (including businesses who undertake tax avoidance schemes), where there is evidence to support this.

Applications will also not normally be considered for the following hereditaments:

- Premises and land used for personal use or storage.
- Car parking spaces that are not run as a commercial business.
- Utilities and communications infrastructure
- Central and local government and NHS infrastructure.

5.3.4 Funding Recipients

The government has provided further clarification that the Council's scheme will comply with:

- (i) Previous guidance for the Additional Restrictions Grant indicated that businesses must have been trading before relevant restrictions were introduced in order to be eligible. This is no longer the case. All businesses that are trading and meet other eligibility criteria may apply to receive funding under this scheme. There is no starting date from which businesses must have been trading in order to qualify for grant funding.
- (ii) For the purposes of this grant scheme, a business is considered to be trading if it is engaged in business activity. This should be interpreted as carrying on a trade or profession or buying and selling goods or services in order to generate turnover. Fully constituted businesses in liquidation, dissolved, struck off or subject to a striking-off notice are not eligible under these conditions.

6. The Council's ARG Scheme

The Council is going to receive £999,017.

What is important to note is that the list provided by the government in 5.3.1 (iii) above is much wider in scope than the eligibility for the OHLG scheme and includes a significant number of sectors and businesses in the city. £999,107 will not be enough to meet the demand that business in this list will present.

This is a limited budget and it will only support awards for a few hundred businesses in the city. As such, the Council will have to prioritise awards and, as well as the impact of the pandemic, we will also consider the level of fixed business-related costs.

The Council has already completed modelling based on businesses that have received support under previous schemes (more restrictive in scope than this recent guidance) and has calculated that the level of funding will not meet expected demand. As such, areas have been prioritised and award amounts have been amended as a percentage of the main scheme.

Based on previous awards and a contingency level of approximately a third for new awards the percentage award will be 50% of the OHLG grant amounts. Although this will be disappointing to some businesses, the Council has to carefully manage budget vs demand and the amounts can be increased or topped up to an amount equal to a maximum of the amounts paid within the OHLG scheme if demand is lower than forecasted.

This approach has worked well previously when managing in accurate demand expectations versus budget.

6.1 Eligibility

As a general principle all applicants **must** be able to evidence and demonstrate that they meet the two main principles, in that

- they have fixed property related costs; and
- they **must** be able to demonstrate a significant impact due to the Omicron variant.

It should be noted that the grant is not intended to provide a wage support scheme to cover lost wages, salary or personal income and is intended to support business-related costs only.

The Council will prioritise awards from businesses with fixed property related costs affected by the recent omicron variant within the wider hospitality and leisure sector who do not qualify for the OHLG grant schemes. This could be because they are in the supply chain and are not a direct provider of in person services or because they are not registered for business rates.

If there any funds remaining, other applications will be considered.

The Council is therefore going to approach grant awards in three priority areas

- Priority one- Hospitality, leisure and accommodation businesses. This broadly mirrors the entitlement within the OHLG scheme but are either not registered for business rates or are in the supply chain.
- Priority two- other areas identified in the government's guidance to local authorities, including travel agents and tour operators.
- Priority three- other businesses where applications are received, and they do not meet either priority one or priority two.

Further details as follows:

Priority One – Hospitality, leisure and accommodation

This includes the following sectors as a general guide

- hospitality,
- leisure,
- accommodation,
- culture and theatres,
- wedding and event industries and support services whose main activity is to support this specific sector,
- nightclubs and the nighttime economy,
- gyms and other sporting activities e.g. boxing clubs that can demonstrate impact
- breweries and wholesalers whose main activity is to support this specific sector.

Priority Two – travel and tourism

- travel agents and tour operators,
- coach operators,
- English language schools.

Priority Three - other businesses

Other businesses not listed above.

6.2 Award Amounts

It is proposed that awards are based at 50% of the main grant scheme amounts, depending on take up. This is to maximise awards, but if take up is too high, the percentage will have to be reduced.

Should there be funds available after all applications are considered a further top up payment up to a further 30% of the main grant scheme would be made, but this would only be considered if there was available budget.

The following thresholds apply for these businesses:

- Businesses with property related costs of exactly £15,000 or under on 30 December 2021 will receive a payment of £1,334.
- Businesses with property related costs over £15,000 and less than £51,000 on 30 December 2021 will receive a payment of £2,000.
- Businesses with property related costs of exactly £51,000 or over on 30 December 2021 will receive a payment of £3,000.

6.3 Approach to administration

The agreed scheme for the operation of the ARG top-up scheme will be published on the Council's website and will be published via the wider business community. Where we hold email details, previous recipients of the earlier ARG phases will be invited to apply

It will be open for a predetermined period (expected to be two weeks) to allow for all applications to be processed and assessed to manage the budget position.

An on-line application process will be developed that invites applications from businesses in the city that meet the criteria. Each case will be considered on its own merits.

7.0 Key Dates

- The Council will launch the scheme as soon as possible subject to sign off from the Executive.
- The OHLG scheme launched to applications on 10th January 2022. It is expected to close on 21st February 2022. This is to allow applications to be considered and paid before the government's deadline for decisions which is the 28th February. The Council then has until 31st March to make payments.
- The ARG scheme will go live as soon as practicably possible shortly after (scheduled for 19th January 2022), subject to prioritisation with other business schemes' application and database development.
- The aim is to run the scheme to accept applications from 19th January 2022 until 4th February 2022 (tbc). This is to allow enough time for applications to be considered and paid before the end of March deadline.
- The ARG scheme will be reviewed on a weekly basis to consider the budget position and the status of the economy and the covid related local and national restrictions.
- The decision to close the scheme will be made by the Deputy Chief Executive and City Treasurer in liaison with the Leader of the Council.
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8.0 Local Authority Responsibilities and expectations for both areas

- i. The government has determined that Local Authorities will need to run a new application process.

- ii. The government has advised that recipients must be solvent businesses, and ratepayer should be trading.
- iii. Local Authorities will need to run an application process for all applicants for the grant and must be satisfied that businesses that have previously received related grants meet the eligibility criteria for the Omicron Hospitality and Leisure Grant and Additional Restrictions Grant.
- iv. 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
- v. The Council's scheme will make it clear to all applicants that the data provided above maybe shared with the Department for Business, Energy and Industrial Strategy (BEIS). The BEIS privacy notice, setting out how BEIS will handle personal data across all COVID-19 business grant schemes, can be found here:

<https://www.gov.uk/government/publications/covid-19-grant-schemes-privacynotice/covid-19-grant-schemes-privacy-notice>.
- vi. The Council will be undertaking the required pre-payment checks prior to the award of a grant.
- vii. The application process will mean that the Council will be able to carry out the required pre-grant fraud checks, as well as collecting the minimum data required for reporting, as set out in the government guidance.
- viii. The application closure date for this scheme is 28 February 2022. Grants cannot be awarded or offers issued after this date. All final payments must be made and dispersed to recipients by 31 March 2022.
- viii. All monies must be fully defrayed from the Local Authority bank account by 31 March 2022. Any monies paid after this date will not be reimbursed under this scheme and the Local Authority will be liable for this amount.
- ix. The Local Authority must email or write to the business, stating that by accepting the grant payment, the business confirms that they are eligible for the grant scheme.

9.0 Tax Implications

Grant income received by a business is taxable and any grant paid as part of this scheme will be subject to tax.

Only businesses which make an overall profit once grant income is included will be subject to tax.

10.0 State Aid

Grants are subject to published state aid restrictions and businesses must confirm that they have not reached the published de minimis levels that would exclude them from receiving further funding that could be classed as state aid. The Council is required to provide the Government with details of the businesses that grants have been awarded to.

11.0 Fraud

The Council reserves the right to check eligibility of all applications to mitigate and prevent fraud and error in the system. This will include both pre and post payment checks.

The government has stated that it will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.

12.0 Contributing to a Zero-Carbon City

Not applicable

13.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

Supporting our residents and businesses at difficult times is a key part of the Our Manchester Strategy. Working across service areas with the citizen at the heart of this is key.

(b) A highly skilled city

Support will be provided to those businesses that require assistance with their self-service and digital access skills development.

(c) A progressive and equitable city

This initiative supports businesses during difficult and challenging times and saves them money and time.

(d) A liveable and low carbon city

See above

(e) A connected city

Support will be provided to those businesses that require assistance with their self-service and digital access skills development.

14.0 Key Policies and Considerations

14.1 Equal Opportunities

There are no specific equality issues identified.

14.2 Risk Management

The following risks have been identified and are actively considered by the project team in the development and administration of the scheme.

1. Demand Management of managing a discrete budget for the discretionary ARG scheme of circa £999,017.
2. Government timescales, in that, at time of writing, all funds must be allocated by the end of March 2022. In addition, for the OHLG scheme the Council only has until 28th February to have received, considered and determined all applications for the OHLG fund
3. Conflicting priorities including the administration of the OHLG and extended ARG schemes as well as normal year end activity and recovery.
4. Fraudulent claims - Internal Audit are involved in the application process to ensure such claims are identified and, where appropriate, action taken against the fraudulent claimant.

14.3 Legal Considerations

Legal considerations are within the body of the report

15.0 Recommendations

It is recommended that the Executive:

- (i) Notes the funding that will be available and supports the delivery of both the OHLG and the ARG top up schemes to provide grants to businesses in the city as detailed within the body of this report.
- (ii) Notes the challenges administering the grant and the limited funding which means that the Council will have to limit and prioritise awards.
- (iii) Notes that the Leader has granted delegated authority to the Deputy Chief Executive and City Treasurer, in consultation with the Leader, to further develop and implement both the core scheme and an extension to the additional restrictions grant (top-up).

- (iv) Grants delegated authority to the Deputy Chief Executive and City Treasurer, in consultation with the Leader of the Council, to develop and implement new or extended schemes involving further tranches of this funding that sit within the same government policy intention for the remainder of the municipal year. This will include decisions up to and including the May 2022 Executive meeting.

Appendix One

Grant Spend to date

Table 1: shows ARG allocated to 31 December 2021 by ARG scheme

| | Allocated to 31/12/2021 | Committed | Total allocated and committed |
|--|----------------------------|----------------|--|
| ARG Scheme: | £ | £ | £ |
| RV support grant (incl independent retailer, daytime/commuter, tourism, culture, airport supply and self-employed) | 3,549,870 | 0 | 3,549,870 |
| Non RV support grant (incl above non RV cohorts) | 5,986,735 | 0 | 5,986,735 |
| LRSO Open (to fund above grants awarded above allocation) | 33,537 | 0 | 33,537 |
| Emergency Business Support Grant RV | 661,572 | 0 | 661,572 |
| Emergency Business Support Grant non RV | 115,500 | 0 | 115,500 |
| ARG Restart RV | 1,277,015 | 0 | 1,277,015 |
| ARG Restart Non RV | 1,466,284 | 0 | 1,466,284 |
| ARG Additional Xmas Grant | 397,850 | | 397,850 |
| Taxi drivers | 1,071,838 | 177,902 | 1,249,740 |
| Childcare / Daycare | 1,503,000 | 0 | 1,503,000 |
| Cultural / Entertainment | 2,631,752 | | 2,631,752 |
| Charity | 867,460 | 0 | 867,460 |
| Of Economic Importance | 1,113,108 | 0 | 1,113,108 |
| Total ARG Scheme | 20,675,521 | 177,902 | 20,853,423 |

Table 2: shows ARG spend to 31 Dec and future commitments demonstrating funding will be fully utilised by 31 March 2022

| ARG Schemes | £ | % |
|---|-------------------|---------------|
| Govt allocation | 20,919,853 | 100.00% |
| ARG Allocated to 31 Dec 2021 (DELTA return) | 20,675,521 | 98.83% |
| <u>Other commitments:</u> | | |
| ARG Taxi Scheme by 28 Feb 2022 | 177,902 | 0.85% |
| Other pending cases | 45,000 | 0.22% |
| | | |
| Total award and commitment | 20,898,423 | 99.90% |
| | | |
| Residual balance for other challenges / appeals | 21,430 | 0.10% |