

KEY DECISION NOTICE

SERVICE AREA:	GROWTH
SUBJECT MATTER:	EXPANDING DISCRETIONARY BUSINESS GRANTS
DECISION:	<p>That it be DETERMINED that:</p> <ol style="list-style-type: none"> 1. the proposal to support domestic based businesses and Tameside taxi license holders set out in Section 4 Table 2 within Tameside from the Additional Restrictions Grant. Is approved 2. the end date to the Additional Restriction Grant Scheme be 31 May 2021. 3. the end date to the Local Restrictions Support Grant Open scheme be 31 March 2021 4. the approach to Local Restriction Support Grant Open underspends set out in Section 3 is approved; AND 5. the updated schemes will go live for applications from the 26 February 2021.
DECISION TAKER(S):	Councillor Oliver Ryan
DESIGNATION OF DECISION TAKER (S):	Executive Member Finance and Growth
DATE OF DECISION:	25 February 2021
REASON FOR DECISION:	In response to the third national lockdown, and a new allocation of funding changes are required to the Council's discretionary grant schemes for business.
ALTERNATIVE OPTIONS REJECTED (if any):	The schemes could remain as unchanged, this option has been rejected based on introduction of a third lockdown, the impact on local business and an increase to the Additional Restrictions Grant funding by Government.
CONSULTEES:	In developing these changes Tameside business leaders, Greater Manchester Combined Authority and other City Region Local Authorities have been consulted.
FINANCIAL IMPLICATIONS: (Authorised by Borough Treasurer)	<p>As set out in paragraph 1.2, the Council is now administering ten different funding streams to provide different business support grants. This report is focused on the two discretionary funding streams for business rates grants – Local Restrictions Support Grant (Open) and Additional Restrictions Grant. The operation of these grant schemes was originally set out in a report to Executive Cabinet on 16 December 2020. A further report to Executive Cabinet on 10 February 2021 made amendments to the ARG scheme to increase the grant award amounts. This report proposes changes to both schemes, including the expansion of the ARG scheme to cover domestic based businesses.</p> <p><u>Local Restrictions Support Grant (LRSG) Open</u></p> <p>The Council has received allocations of LRSG Open for the period up to 4 January 2021 totalling £1,890,626. No further</p>

allocations are expected for the national lockdown period that commenced on 5 January 2021. Spend to date is £915,296 with a further £375,733 of applications in processing (as at 11 February 2021).

This report proposes that the LRSG Open scheme ends on 31 March 2021, which is consistent with the award period and government guidance. Any unallocated LRSG Open funding will be transferred to support the ARG scheme. This is permissible under the scheme guidance and should ensure that all funding is utilised for the benefit of the Tameside economy.

Additional Restrictions Grant (ARG)

The Council received £4,792,000 in November 2020 for the period from 24 October 2020 on the understanding that no further funding would be received for the 2020/21 and 2021/22 financial years. Subsequently, additional ARG funding of £2,011,949 was paid in January 2021, resulting in total available funding £6,803,949. The additional funding was provided with a clear expectation that this would be spent 'without delay'. On 10 February 2021, Executive Cabinet approved changes to the ARG scheme which increased the grant award amounts. The scheme operates on a first come first served basis and a ring fenced amount of £4,856,000 is set aside for the scheme approved on 10 February 2021. As at 11 February the total number of grants paid from the ARG scheme is 367, with a total value of £2,095,000. A balance of £1,947,949 unallocated ARG funding is currently held in reserve to fund any future changes or expansion of the scheme.

This report is proposing changes to the ARG scheme to include support for domestic based businesses and taxi drivers. The grant currently held in reserve will be utilised to create a ring fenced pot of £1,800,000 to provide grants of £1,500 for domestic based businesses and all taxi drivers licensed in Tameside. The pot will operate on a first come first served basis until the ring fenced amount is exhausted. This will leave a small reserve of £147,949 for any future changes to the schemes or targeted support.

The ARG grant cannot be used as an income support scheme and therefore grants must be made to support fixed costs which will need to be evidenced through the application process.

All elements of the ARG scheme will continue to operate on a first come first served basis, based on ring fenced and finite pots of funding. It will therefore be critical that the application and processing arrangements provide a clear audit trail and accurate monitoring to ensure that grant awards do not exceed the allocated funding. The operation of a domestic based business scheme is likely to be more difficult due to the nature of businesses that are eligible to apply, and a balance will need to be struck between the speed of processing and level of evidence and application checks required, whilst still seeking to minimise fraud.

Effective operation of these schemes will require robust systems to record and monitor grant applications and awards, and sufficient staffing capacity to operate the schemes

	<p>efficiently. Failure to process and award grants effectively, and any weaknesses in systems to process and record data, exposes the Council to potential financial and reputational risk. The operation of these grant schemes continues to be complex and administratively time consuming. Government has provided some new burdens funding for the various grants streams but this may not sufficiently offset the impact of this work on the delivery of other Council objectives and priorities.</p>
<p>LEGAL IMPLICATIONS: (Authorised by Borough Solicitor)</p>	<p>The aim of the changes to the discretionary grant is to try and target businesses which may not have qualified for any of the covid related assistance grants to date.</p> <p>It is important to note that the conditions connected to the funding by government means that the grant cannot be used to make up for lost income as a result of the pandemic. However it can be used to cover business costs which should ease some of the financial pressures for businesses.</p> <p>As it is not possible to identify the likely number of applicants a scheme has had to be developed which is efficient to manage so as to get help to those who need it as soon as possible whilst having a process where applicants have to establish that they have suffered loss and is fair.</p> <p>Particular consideration has been given to how Tameside taxi licence holders who live outside of the borough should be treated for the purpose of this grant. The project officers have worked closely with their colleagues across GM and have decided upon the criteria that Tameside taxi licence holders who live outside of the borough will be eligible to apply for this scheme. This is in line with the eligibility approach being adopted by the majority of GM councils. However out of borough taxi licence holders will be required to declare whether they have applied to a scheme in their area in case they reside in an area where they are also meet that areas criteria to avoid any duplicate applications.</p> <p>As with all of these schemes due diligence and risk management is critical to ensure that the fund if distributed appropriately and fairly. The project's approach to this is set out in the risk management section of this report. The council will pursue the recovery of any payments made either in error or as a result of fraud.</p> <p>In addition details of the successful applicants will be published to ensure transparency regarding the administration of this and indeed all of the covid related grants.</p>
<p>CONFLICT OF INTEREST:</p>	<p>None.</p>
<p>DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:</p>	<p>N/A</p>
<p>ACCESS TO INFORMATION:</p>	<p>The background papers relating to this report can be inspected by contacting the Report Writer, David Berry by:</p> <p> Telephone: 0161 342 2246</p>



E-mail: david.berry@tameside.gov.uk

A handwritten signature in black ink that reads "Oliver Ryan". The signature is written in a cursive style with a long horizontal stroke at the bottom.

Signed

Councillor Oliver Ryan, Executive Member (Finance and Economic Growth)

Dated: 25 February 2021

KEY DECISION REPORT

SERVICE AREA:	GROWTH
SUBJECT MATTER:	EXPANDING DISCRETIONARY BUSINESS GRANTS
DATE OF DECISION:	25 February 2021
DECISION TAKER(S):	Councillor Oliver Ryan
DESIGNATION OF DECISION TAKER (S):	Executive Member Finance and Growth
REPORTING OFFICER:	Jayne Traverse Director of Growth
REPORT SUMMARY:	The Additional Restrictions Grant (ARG) scheme has an unallocated pot of £1,947,949. Discussions across GM and local understanding have demonstrated many small businesses operating from a domestic setting are struggling to cover fixed business costs and this report sets out a proposal to support 1,200 domestic based businesses including Tameside Taxi License holders whether living in or out of borough with a grant of £1,500. The report sets out plans for Local Restrictions Support Grant Open underspend. The report also sets out an end date of 31 May 2021 to all elements of Additional Restrictions Grant.
RECOMMENDATION:	<p>It is RECOMMENDED that:</p> <ol style="list-style-type: none"> 1. Agree the proposal to support domestic based businesses and Tameside taxi license holders set out in Section 4 Table 2 within Tameside from the Additional Restrictions Grant. 2. Agree an end date to the Additional Restriction Grant Scheme of 31 May 2021. 3. Agree an end date to the Local Restrictions Support Grant Open scheme of 31 March 2021 4. Agree the approach to Local Restriction Support Grant Open underspends set out in Section 3. 5. Subject to approval the updated schemes to go live for applications from the 26 February 2021.
JUSTIFICATION FOR THE DECISION:	In response to the third national lockdown changes are required to the Council's discretionary grant schemes for business.
ALTERNATIVE OPTIONS REJECTED (if any):	The schemes could remain unchanged, this option has been rejected based on introduction of a third lockdown, the impact on local business and an increase to the Additional Restrictions Grant funding by Government.
CONSULTEES:	In developing these changes Tameside Business Leaders, Greater Manchester Combined Authority and other City Region Local Authorities have been consulted.
FINANCIAL IMPLICATIONS: (Authorised by Section 151	As set out in paragraph 1.2, the Council is now administering ten different funding streams to provide different business

Officer)

support grants. This report is focused on the two discretionary funding streams for business rates grants – Local Restrictions Support Grant (Open) and Additional Restrictions Grant. The operation of these grant schemes was originally set out in a report to Executive Cabinet on 16 December 2020. A further report to Executive Cabinet on 10 February 2021 made amendments to the ARG scheme to increase the grant award amounts. This report proposes changes to both schemes, including the expansion of the ARG scheme to cover domestic based businesses.

Local Restrictions Support Grant (LRSO) Open

The Council has received allocations of LRSO Open for the period up to 4 January 2021 totalling £1,890,626. No further allocations are expected for the national lockdown period that commenced on 5 January 2021. Spend to date is £915,296 with a further £375,733 of applications in processing (as at 11 February 2021).

This report proposes that the LRSO Open scheme ends on 31 March 2021, which is consistent with the award period and government guidance. Any unallocated LRSO Open funding will be transferred to support the ARG scheme. This is permissible under the scheme guidance and should ensure that all funding is utilised for the benefit of the Tameside economy.

Additional Restrictions Grant (ARG)

The Council received £4,792,000 in November 2020 for the period from 24 October 2020 on the understanding that no further funding would be received for the 2020/21 and 2021/22 financial years. Subsequently, additional ARG funding of £2,011,949 was paid in January 2021, resulting in total available funding £6,803,949. The additional funding was provided with a clear expectation that this would be spent 'without delay'. On 10 February 2021, Executive Cabinet approved changes to the ARG scheme which increased the grant award amounts. The scheme operates on a first come first served basis and a ring fenced amount of £4,856,000 is set aside for the scheme approved on 10 February 2021. As at 11 February the total number of grants paid from the ARG scheme is 367, with a total value of £2,095,000. A balance of £1,947,949 unallocated ARG funding is currently held in reserve to fund any future changes or expansion of the scheme.

This report is proposing changes to the ARG scheme to include support for domestic based businesses and taxi drivers. The grant currently held in reserve will be utilised to create a ring fenced pot of £1,800,000 to provide grants of £1,500 for domestic based businesses and all taxi drivers licensed in Tameside. The pot will operate on a first come first served basis until the ring fenced amount is exhausted. This will leave a small reserve of £147,949 for any future changes to the schemes or targeted support.

The ARG grant cannot be used as an income support scheme and therefore grants must be made to support fixed costs which will need to be evidenced through the application process.

	<p>All elements of the ARG scheme will continue to operate on a first come first served basis, based on ring fenced and finite pots of funding. It will therefore be critical that the application and processing arrangements provide a clear audit trail and accurate monitoring to ensure that grant awards do not exceed the allocated funding. The operation of a domestic based business scheme is likely to be more difficult due to the nature of businesses that are eligible to apply, and a balance will need to be struck between the speed of processing and level of evidence and application checks required, whilst still seeking to minimise fraud.</p> <p>Effective operation of these schemes will require robust systems to record and monitor grant applications and awards, and sufficient staffing capacity to operate the schemes efficiently. Failure to process and award grants effectively, and any weaknesses in systems to process and record data, exposes the Council to potential financial and reputational risk. The operation of these grant schemes continues to be complex and administratively time consuming. Government has provided some new burdens funding for the various grants streams but this may not sufficiently offset the impact of this work on the delivery of other Council objectives and priorities.</p>
<p>LEGAL IMPLICATIONS: (Authorised by Borough Solicitor)</p>	<p>The aim of the changes to the discretionary grant is to try and target businesses which may not have qualified for any of the covid related assistance grants to date.</p> <p>It is important to note that the conditions connected to the funding by government means that the grant cannot be used to make up for lost income as a result of the pandemic. However it can be used to cover business costs which should ease some of the financial pressures for businesses.</p> <p>As it is not possible to identify the likely number of applicants a scheme has had to be developed which is efficient to manage so as to get help to those who need it as soon as possible whilst having a process where applicants have to establish that they have suffered loss and is fair.</p> <p>Particular consideration has been given to how Tameside taxi licence holders who live outside of the borough should be treated for the purpose of this grant. The project officers have worked closely with their colleagues across GM and have decided upon the criteria that Tameside taxi licence holders who live outside of the borough will be eligible to apply for this scheme. This is in line with the eligibility approach being adopted by the majority of GM councils. However out of borough taxi licence holders will be required to declare whether they have applied to a scheme in their area in case they reside in an area where they are also meet that areas criteria to avoid any duplicate applications.</p> <p>As with all of these schemes due diligence and risk management is critical to ensure that the fund if distributed appropriately and fairly. The project's approach to this is set out in the risk management section of this report. The council will pursue the recovery of any payments made either in error or as a result of fraud.</p> <p>In addition details of the successful applicants will be published</p>

	to ensure transparency regarding the administration of this and indeed all of the covid related grants.
CONFLICT OF INTEREST:	None
DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:	N/A
ACCESS TO INFORMATION:	<p>The background papers relating to this report can be inspected by contacting the David Berry, Head of Economy, Employment and Skills by:</p> <p> Telephone: 0161 342 2246</p> <p> E-mail: david.berry@tameside.gov.uk</p>

1. INTRODUCTION

1.1 The Additional Restrictions Grant (ARG), alongside the Local Restrictions Support Grant (LRS) (Open), were launched by Tameside Council on the 10 December 2020 and were considered by Cabinet on the 16 December 2020. Amendments to the Additional Restrictions Grant scheme, to increase the value of awards, were approved on 10 February 2021 by Executive Cabinet.

1.2 These grants are part of the family of grant schemes launched by Government.

Introduced since October 2020

- Local Restriction Support Grant (Closed)
- Local Restriction Support Grant (Closed Addendum)
- Local Restrictions Support Grant (Closed Addendum Tier 4)
- Local Restriction Support Grant (Closed Addendum) 5 January onwards
- Local Restriction Support Grant (Sector)
- Local Restriction Support Grant (Open) (Discretionary)
- Local Restriction Support Grant (Open) 2 December onwards (Discretionary)
- Additional Restriction Grant (Discretionary)
- Christmas Support Payments (wet led Pubs)
- Business Support Package for January 2021

1.3 Grant schemes to date have not provided support for domestic based businesses. Such businesses typically have lower fixed costs than businesses in commercial premises however the continuation of restrictions has created difficult circumstances which is being responded to by many Local Authorities, both nationally and across GM, by amendments to their discretionary grant schemes. Table 3 at section 4.7 sets out an example of businesses that have not been eligible to date with this proposed scheme now capturing them by enabling domestic based business including self employed to apply. Indicative examples of domestic based business types are provided below. It is proposed Tameside's scheme will support these businesses if they are impacted by COVID19, domestically based and can demonstrate fixed costs associated with trading. The guidance and marketing for the extended scheme will be clear that we will not award grants to employees who are asked to work at home by their employers.

- Self employed
- Sole Traders
- Limited Companies
- Public Listed / limited Company
- Limited Liability Partnerships
- Community Interest Company

For the purposes of the proposed Tameside Additional Restriction Grant Schemes extension, it is not the legal status of the business that is paramount, it is the ongoing costs that are incurred whilst operating as a business. By asking for evidence of costs such as business insurances, such as public liability insurance or professional indemnity, professional body fees, and proof of trading in the relevant period, we are ensuring that the grant will be paid to extant businesses incurring costs, and not replacing lost income for people who work from home.

1.4 Many domestic based businesses have not been eligible to apply for the Self Employment Income Support Scheme mainly due to opening their business after 6 April 2019 (63% of applicable of self employed GM residents applied to the third round of SEISS which closed on the 26 January 2021). Those individuals may also have applied to Universal Credit to support their income during the COVID19 pandemic. The ARG cannot replace income but can cover fixed business costs. The type of fixed business costs could include licenses,

insurances fixed vehicle costs. Extending the ARG scheme enables Tameside Council to potentially support the future growth of domestic based businesses that may eventually expand into commercial property and create further employment opportunities.

- 1.5 This report proposes to:
- A. Amend the ARG scheme to allow applications from domestic based businesses and Tameside Taxi License holders for a grant of £1,500 to a ring fenced pot of £1,800,000 from the overall ARG allocation of £6,803,949.
 - B. Monitor the LRSG Open spend and utilise any underspends by adding to the ARG scheme total allocation of £6.8m prior to the 31 March 2021 end date for use of LRSG Open.
 - C. Ring fence a small reserve fund (£147,949) for future use with the ARG to have an end date of 31 May 2021. The fund would be for contingency purposes.
- 1.6 This report includes 3 appendices setting out the draft ARG Scheme and LRSG Open Scheme (based on new proposal) and outline of published domestic based ARG schemes across Greater Manchester Local Authorities (GM LAs).

2. BACKGROUND

- 2.1 Tameside's schemes have been designed in alignment with Government guidance and also Greater Manchester design principles as agreed by Leaders and set out in the 16 December Cabinet Report. The proposals in this report have been considered alongside other GM LA published updates to their schemes to support consistency where possible and appropriate, **Appendix 3** provides detail of live domestic schemes across GM.
- 2.2 Finance and Audit have been involved in the design of these proposals to ensure that, if approved, they continue to follow the robust principles already in place to ensure spending remains within the funding limits and fraud is minimised.
- 2.3 The fund will continue to be managed by Growth with a project team including Finance, Audit and Communications meeting regularly.
- 2.4 Table 1 sets out spend and allocations to date for the discretionary schemes.

Table 1 Discretionary Grant Spend to date		
Funding Stream	Allocation to 11 February 2021	Spend to 11 February 2021
Local Restriction Support Grant Open	£1,890,626	No. 272 £915,296 48% of allocation
Additional Restriction Grant	£6,803,949	No. 367 £2,095,000 31% of allocation
Combined total	£8,694,575	No. 639 £3,010,296 35% of allocation

3. PROPOSED CHANGES TO LRSG OPEN

- 3.1 The latest guidance from Government sets out the LRSG (Open) scheme will be for 2020-21 (see guidance extract below). Tameside to date has received three allocations of funding totalling £1,890,626 (for the period up to 4 January 2021). No allocation of LRSG Open is expected for the national lockdown period which commenced on 5 January. Spend to date is £915,296 with a further £375,733 of applications in processing (as at 11 February 2021).

- 3.2 This report proposes that any unspent monies from LRSG (Open) will be transferred into ARG to ensure all funding is utilised in the Borough and not returned to Government. The Government recently confirmed via email on 10 February 2020 that we have the discretion to do this based on FAQ 42 from Issue 1 (see FAQ below). Any underspend will be assessed prior to 31 March 2021 which is the date that LRSG Open funds must be utilised by (current underspend is £975,330 which reduces to £599,597 when applications in the system are included). If this approach is approved that would increase the potential funding available for the ARG scheme, subject to the total liability for LRSG Open new and in-processing claims not exceeding allocated funding between now and the 31 March 2021. Tameside must ensure that ARG and LRSG Open are reported to Government separately against their original allocations.

LRSG Open Guidance Version 2 Section 9. 'This support will take the form of a grant funding scheme in Financial Year 2020-2021'.

FAQ Issue 1 42. Can Local Authorities have an overall discretionary scheme that covers both ARG and LRSG (Open)?

Yes, but Local Authorities will still be responsible for monitoring and reporting the schemes separately.

- 3.2 To enact this change we will update the LRSG Open scheme to provide an end date to the scheme of 31 March 2021, the scheme currently sets out that funding is intended for the financial year 2020/21 as per Government guidance. The 10 February 2021 Executive Cabinet Report set out in detail that the scheme has been well publicised since the launch date of the 10 December 2020 and 174 businesses were contacted in January 2021 and again in early February 2021 that had received LRSG Closed payments and had not to date applied for LRSG Open. The main period of claim for LRSG Open is 1 August to 4 November 2020. 662 applications have been made to date against an estimate of 527 based on Government allocation data.

4. PROPOSED CHANGES TO ARG

- 4.1 The following changes will enable Tameside Council to have a robust plan to utilise 100% of ARG funding, supporting a wide range of businesses. It is proposed to extend ARG to Tameside domestic based businesses and Tameside licensed taxi drivers. As set out in section 1.3 of this report a domestic based business would include all types of businesses operating from non commercial premises e.g. self employed, sole traders, limited companies, public companies, limited liability partnerships or community interest companies. This would include for example but not limited to taxi drivers, canal boat operators, driving instructors, mobile hairdressers, construction businesses, accountants and digital companies. The guidance and marketing will be clear that the grant is for businesses operating without commercial premises, not employees working from home or low level traders with no fixed costs. It is important that this scheme is focused on fixed business costs and is not an income replacement scheme (see FAQ from government guidance and ARG guidance). Applicants will consider the grant to be a replacement for lost income and it is important that our messaging is consistent that the grant is for the purpose of supporting fixed business costs.

15 January 2021 Government FAQs: 51. Can ARG funding be used to support individuals' costs such as wages? No. ARG cannot be used as a wage support mechanism or to pay costs for the individual, such as dividends or wages

ARG Guidance December 2020 Section 26. In taking decisions on the appropriate level of grant, Local Authorities may want to take into account the level of fixed costs faced by the business in question, the number of employees, whether they are unable to trade online and the consequent scale of coronavirus losses.

4.2 We propose to continue to use the first come, first served approach which is the common approach across ARG in GM and was recently also utilised by the Liverpool City Region along with Stockport, Bury and Rochdale in the launch of their domestic based schemes. This is currently utilised for Tameside's ARG and LRSO Open and enables the Council to pay businesses immediately on completion of assessment and eligibility checks, and provides assurance to the business on a minimum award level. This reduces delay in providing support to businesses preventing frustration and queries on application updates. There is no detailed analysis available which provides accurate splits between commercially based and domestically based businesses on which to design the proposals set out in the report with full accuracy, section 4.8 onwards provides further detail. The proposed pot of £1,800,000 would enable 1,200 awards which provides a level of mitigation to the impact of the first come, first served approach.

4.3 Should the proposal be approved, we would update the published scheme and communicate changes to the business community immediately. We would keep the business community informed of our commitment to explore options as per 10 February 2021 Cabinet report. This would be done in partnership with the Communications team using multiple communication channels with the aim of delivering a robust marketing campaign to reach our business population. The communication approach we would use is set out below:

- Webpage updated (scheme information and application page)
- Updated standard response emails from dedicated email account
- TMBC press release (on launch)
- Regular eshot to 2,500 Tameside businesses - businesses have specifically signed up to the eshot for the purpose of information on the grants. (On launch and following 2 weeks).
- Regular Twitter postings on advertising grants (1x per day)
- Boosted Facebook post (On launch)
- Provide content to business network organisations (Chamber/Federation for Small Business) for their membership (on launch)
- Provide content for promotion to GM self-employment scheme 'Enterprising You' (on launch)
- Tameside Radio interview with Executive Member (Week after launch TBC)
- Tameside Reporter content (Week after launch and month after launch)
- The Correspondent content (Week after launch and month after launch)
- Targeted promotion to Tameside based accountants and financial advisors to advise their clients
- GM Growth Hub marketing and signposting to our scheme from their advisors and GM campaigns
- Direct email to network of community groups identified in Equality Impact Assessment (on launch)
- Promote through debt support charities such as CAB, Step Change, Christians Against Poverty – with a clear message that the scheme is not income replacement and is for fixed business costs (on launch)

4.4 The proposal is set out in Table 2 for review, if the proposal is agreed this would leave Tameside with an ARG reserve of £147,949 plus any remaining underspend calculated from LRSO Open.

Table 2 Proposal				
Proposal	Cost and Award Level	Rationale	Considerations	Evidence
1. Tameside Domestic Business	£1,800,000	Enables us to support growth of domestic based	Data is not available for domestic based businesses and	Bank statement for Oct 2020 to show trading and to

<p>and Licensed Taxi Scheme</p> <p>One off £1,500 payment. First come, first served end date of 31 May 2021.</p> <p>Any Tameside domestic based businesses trading on 22 October 2020 with fixed business costs that can be evidenced and impacted by COVID19. Taxi drivers who have a Tameside license but do not live in the borough would be eligible. Taxi drivers who are resident but hold their license with another Local Authority would only be eligible if they declared they had not received funding from another Local Authority scheme.</p> <p>All communications would reinforce the message this is for fixed business costs and not income replacement as this is covered by the Self Employed Income Support Scheme</p>	<p>1,200 awards of £1,500</p>	<p>businesses that may eventually expand into commercial property (link to GM Enterprising You).</p> <p>Scheme provides access for all domestic based businesses.</p> <p>Queries and feedback received directly to the grant delivery team demonstrate a growing demand to support domestic based businesses.</p> <p>Most GM LAs have launched similar schemes and this proposal ensures Tameside businesses are supported in a consistent way to businesses in neighbouring boroughs.</p> <p>Cost of renewing both Private Hire and Hackney license is £321 for a 3 year period (204 drivers have both badges). Additionally to this taxi drivers will have ongoing vehicle and insurance costs to meet.</p> <p>The taxi trade have been significantly impacted by COVID-19. TfGM suggests trade has dropped off by approximately 60%.</p>	<p>demand may outstrip funding in a first come first serve approach. Others (e.g. Liverpool City Region) have mitigated this through clear marketing and messaging. We have proposed a large pot of funding (£1.8m) and can award a high number of applicants (1200).</p> <p>Award levels do not take account of fixed business cost levels, this is to speed up the application and payment process for businesses by streamlining the assessment and eligibility process.</p> <p>Although not all taxi drivers eligible will be resident in the borough their license is registered in the Tameside as a business cost. Excluding those who are not resident may leave some license holders without support. Other types of licensed industries are usually national and therefore our scheme is limited to Tameside taxi drivers</p>	<p>confirm bank account and business based in Tameside.</p> <p>Evidence of fixed business costs (no minimum level) inc.</p> <ul style="list-style-type: none"> insurance, legal and accountancy fees, trading licences, utilities, equipment rental, software licenses and commercial vehicle costs. Fixed costs do not include stock, domestic property or employee costs. <p>Self declaration on impact of COVID19 (no minimum level) and potential for more detailed post payment assurance checks.</p> <p>Self declaration that understand must be declared as taxable income to DWP, HMRC etc.</p> <p>For Taxi license holders only License number and self declaration they have not received funding from another Local Authority Grant/Taxi scheme (this would make them ineligible to prevent double funding).</p>
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(SEISS) and Universal Credit (UC).				
Based on analysis across Greater Manchester from published information four boroughs are supporting taxi drivers who are license holders while two boroughs are limiting support to residents only (including taxi drivers). Four boroughs have specific schemes for taxi drivers while two include taxi drivers within their domestic based scheme. Where a GM LA has a specific taxi based scheme there is no clear indication that the taxi applicant is also eligible to apply to the domestic based scheme of that LA.				

- 4.5 The proposals above enable Tameside's scheme to be extended to domestic based businesses. In preparing this proposal considerations on the format of payments have been reviewed based on funding available from Government and sectors previously ineligible. The scheme will be wide if proposal 1 is agreed. The main group of businesses remaining ineligible would include:
- In some cases residents from other boroughs may be providing services as part of their domestic based business in Tameside, they will not be eligible and we would expect them to access support from their local authority grant scheme (Tameside Taxi license holders would be funded in this example as an exception).
- 4.6 The evidence requirements set out in Table 2 provide evidence of fixed business costs and impact of COVID19 on the business. The proposed approach will enable a simple application process for businesses through a streamlined assessment process due to no minimum levels being applied. The Council's Internal and Fraud Investigation team have reviewed this approach and confirm the evidence requirements are satisfactory. Internal Audit note that the procedures to determine eligibility need to be balanced to ensure grants are being paid in acceptable timeframes. They also noted that the expanded scheme needs to be balanced against resources and capacity available to administer.
- 4.7 Table 3 provides an example of how the proposals widen the types of businesses that would be eligible.

Table 3 Examples of how eligibility would change		
All applicants must have been impacted by COVID19 and these schemes relate solely to fixed business costs.		
Grant Scheme	Example of common eligible (current scheme) <u>Not exhaustive</u>	Example if new proposals implemented (previously have not received funding) <u>Not exhaustive</u>
ARG	<p>Operating from commercial premises</p> <p>Examples:</p> <ul style="list-style-type: none"> Forced to close not on business ratings list such as hairdressers and beauticians paying for a chair or room in a salon; non essential retail including market traders Supply chain of businesses forced to close, such as wholesale food suppliers, breweries, events organisers Open but suffering reduced trade due to low footfall, such as dry cleaners, sandwich shops, florists, fancy dress shops, convenience shops 	<p>Resident with domestic based business, impacted by COVID19 and with fixed business costs:</p> <ul style="list-style-type: none"> Driving instructors Mobile hairdressers Event industry businesses (DJs, musicians) Personal Trainers Market traders not on the Tameside regular trading list Cultural businesses delivering events Professionals based at home (e.g. accountants, architects) Allied trade (e.g. builders)

	<ul style="list-style-type: none"> Open and affected such as, childcare providers with reduced numbers; manufacturers with reduced orders, car repairs with less trade 	<ul style="list-style-type: none"> Taxi license holders (self declaration will be required that the resident has not claimed a taxi specific grant based on their license from another Local Authority) <p>Also:</p> <ul style="list-style-type: none"> Tameside Taxi license holders who are not resident in Tameside (self declaration will be required that the license holder has not claimed a taxi specific grant based on their residency in another Local Authority)
Local Restrictions Support Grant (Open)	<p>Operating from commercial premises within the Hospitality, Accommodation & Leisure sectors, trading on 31 July and affected by tier restrictions from 1 August to forced closure.</p> <p>Examples include, but are not limited to:</p> <ul style="list-style-type: none"> Hotels and B&B's Restaurants, pubs, bars and café's Leisure activity businesses including gyms, bowling clubs, dance schools, golf clubs, cricket clubs, children's play centres 	No change to eligible businesses.

4.8 Tameside has 6,195 businesses (based on Office for National Statistics (ONS) data).

4.9 There is no detailed analysis available which provides accurate splits between commercially based and domestically based businesses on which to design the proposals set out in the report with full accuracy.

4.10 The (ONS) UK business count tallies the number of businesses that are VAT and PAYE registered, some domestic based businesses may be below the VAT threshold and therefore are not represented in the Tameside business count. The ONS data is also supplemented by the information below, many domestic based businesses do not require a licence to trade. Table 4 provides the ONS analysis which supports insight but not accurate estimations of domestic based sectors numbers.

- The Government estimates there are 9,800 eligible for Self Income Support Scheme, this does not necessarily mean all those eligible are domestic based.
- Tameside has 628 licensed taxi drivers that are domestically based businesses, who we could expect to apply to the new proposal.
- There are 40 Driving and Vehicle Standards Agency (DVSA) registered instructors within 2.5 miles of Ashton-under-Lyne. Other online information shows 82 results for driving schools in Tameside who we could expect to apply.
- In Summer 2020 131 applications were started though ineligible to the Tameside Local Authority Discretionary Grant Fund (LADGF) due to the business being based in a domestic and not commercial setting. We could expect these businesses to apply.

Table 4 Tameside business numbers by sector			
Sector by Government set reporting requirement	Number in Tameside Economic Baseline (from ONS)	Applications to ARG and LRSG Open to 11 Feb 21	Notes in relation to domestic businesses
A: Agriculture;	45	4	No insight available.
B: Mining and Quarrying;		0	
C: Manufacturing:	565	64	Unlikely to be high number of domestic businesses, likely to be based in commercial premises due to machinery and space requirements.
D: Energy;	30	3	No insight available.
E: Water Supply;		1	
F: Construction;	895	29	Potentially high number of domestic based businesses. LADGF intelligence showed only 9 commercial based businesses applied from this sector.
G: Wholesale and Retail;	1185	364	Unlikely to be high number of domestic businesses, likely to be based in commercial premises due to customer access requirements.
H: Transport and Storage;	260	42	Unlikely to be high number of domestic businesses, likely to be based in commercial premises due to vehicle and space requirements.
I: Hotels and Catering;	570	467	Unlikely to be high number of domestic businesses, likely to be based in commercial premises due to customer access requirements as demonstrated by applications to existing schemes.
R: Recreation and Culture		220	
J: IT;	300	12	Potentially high number of domestic based businesses. LADGF intelligence shows 8 commercial based businesses applied from this sector.
K: Finance and Insurance;	1350	8	Potentially medium number of domestic based businesses due to nature of services.
L: Real Estate;		9	
M: Professional, scientific;		33	
N: Admin Services;		4	
O-Q: Public Services;	365	62	No insight available due to variety of businesses in sector.
STU: Other services	275	625	No insight available due to variety of businesses in sector.

5. SUPPORTING INFORMATION

- 5.1 Across GM LA's have implemented or are planning amendments to discretionary schemes to encompass domestic based businesses. The proposed amendments to our scheme provides consistency for Tameside business compared to GM.
- 5.2 Appendix 3 details the schemes already live across GM supporting domestic businesses for information and context.

6. RISKS

- 6.1 The table below sets out the risks associated with the proposals and mitigations. The Cabinet Report on 16 December 2020 set out full risk analysis for the ARG and LRSG Open schemes.

Area of risk	Impact	Rating	Mitigation
1. Eligible businesses do not receive a grant due to funds exhausted due to first come first serve approach.	Eligible businesses do not receive any funding.	Low	<ul style="list-style-type: none">• Good communications and marketing through different channels based on EIA will ensure the scheme is well publicised.• The scheme will have an end date to ensure potential applicants are aware of closure while being encouraged to apply as soon as possible.• £1.8m has been proposed to be provided for 1,200 awards. This enables the scheme to reach a large amount of applicants.• First come, first serve is consistent with the current Tameside ARG and LRSG Open schemes and other GM ARG schemes for domestic based businesses. First come, first serve enables quicker payment and a guaranteed minimum amount of funding to businesses in a time of uncertainty and recession.

7. RECOMMENDATIONS

- 7.1 As set out at the front of the report.