



**HARTLEPOOL
BOROUGH COUNCIL**

MANAGING DIRECTOR'S DECISION RECORD

Date of Decision: 23/06/21

Department: Resources and Development

Division: Finance

Officer Making Decision: Managing Director, in consultation with the Leader (or in his absence the Deputy Leader), Chair of the relevant Committee (or in his absence Vice Chair) and Monitoring Officer.

Subject / Description
& Reason for
Decision:

Following a grant award from Government, the Council introduced its discretionary ARG scheme in November. The initial scheme has since been expanded on a number of occasions and "Top Ups" paid to a number of strands in order to extend the support provided to Businesses in the Council.

Despite these extensions, tranche 1 and 2 of the funding is forecast to underspend. Following the change in grant conditions, the Council was required to spend these tranches in full by 30 June 2021 in order to access a further tranche 3 payment of £439,673. As such, the following approach was proposed to increase spend:

Strand 1 – Non Rate-paying, in person businesses that were closed during the period November to March, but have demonstrable business costs.

The majority of these businesses will have received grant of £6,003 over the period November to March (a small number will have received £6,937 if they were shut during Tier 3 restrictions in December). No top up has yet been paid to this strand. It is proposed to provide a top up to £7,000 for all businesses within strand 1, (market traders top up to £1,400).

Implementation of this top up has left circa £250,000 still to distribute.

In view of the changing Government guidance and the delaying in easing the remaining lockdown measures, it seems appropriate to combine the balance of existing ARG (£250k) and the phase 3 allocation (£440k) into a single scheme to maximise support and speed payments to businesses most affected by the delay. This approach also recognises the available funding doesn't go that far at an individual business level.

There are currently circa 230 businesses in receipt of restart grant falling into the hospitality and leisure categories. These categories are most affected by the delay in the roadmap and the government have advised that any remaining ARG should be focused on these areas. The government has also extended the deadline for ARG phase 1 and 2 spend to 30 July 2021.

It is therefore proposed to give these businesses a top up of £2,500 each. Such an approach will leave a remaining balance of £115,000.

The remaining balance will be available for outstanding payments, late applications and any appeals or errors against any of the various covid grant schemes in operation since October 2020.

Whilst this proposal is not nuanced to individual businesses or narrow sectors, such an approach is difficult to ensure transparency and fairness. Recently, other recipients of ARG strands have received top ups, including above, and so have also received additional support.

Type of Decision: In accordance with Article 12 – 12.3 - the decision is not defined as a Key decision for the following reason:-
The Expenditure is inevitable as a result of the Government providing a Section 31 grant ('New Burden' Funding) to help fund the impact of specific legislative commitments where there is no in year cost, or future commitment for the General Fund. Details of any Section 31 grants and the commitments which need to be funded will be reported to the Finance and Policy Committee and the relevant Policy Committee as soon as is reasonably practicable thereafter.

Nature of Delegation Being Exercised: Constitution Reference – CE15 – urgent decisions normally reserved to a Committee. The Managing Director (or in his/her absence the Director of Resources and

Development) may take a decision normally reserved to Full Council or a Committee where:

(a) Failure to take the decision quickly would, or would be likely to, harm the interests of the Council and the public.

(b) The decision is so urgent that it cannot wait until the next meeting of the Committee at which the decision would normally be taken

Alternative Options
Considered &
Rejected:

A number of options were considered to support Hartlepool Businesses. The proposals above best recognise the delay in the roadmap, minimising the admin pressure and ensures funding is provided as soon as possible.

Any Declared
Register of Interest

No

(delete as appropriate)

If Yes, specify:

Signatures for retained copy only

Managing Director – Denise McGuckin

Decision made in consultation with:

Leader of the Council - Cllr Shane Moore

Chief Solicitor and Monitoring Officer – Hayley Martin