

Economic Development Committee



21 September 2021

Title	<i>Additional Restrictions Grant (ARG)</i>
Purpose of the report	Update Committee on use of the ARG
Report Author	<i>Keith McGroary Economic development Manager</i>
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	<i>N/A</i>
Corporate Priority	Economic Development
Recommendations	Committee is asked to: <i>Note the report</i>
Reason for Recommendation	<i>'Not applicable'.</i>

1. Key issues

- 1.1 The purpose of this report is to provide a written update with regards to the Economic Development Forward Plan.
- 1.2 The ARG is a fund allocated by the Government to all local authorities based upon its population size in order to provide financial assistance for each Boroughs business severely affected by the impact of COVID-19. The government referred to this as a 'Discretionary Grant' as each local authority could decide how to allocate the funding based on its local understanding of its economy.
- 1.3 The first allocation of funds from Government occurred in April 2020 when £711k was allocated and be distributed by way of grants. Further grants totalling £2,883,799 were allocated up to January 2021.
- 1.4 There have been 4 windows of opportunity for businesses to apply for an ARG from Spelthorne Council. When the 3rd window was dealt with, there remained a total of £2,257,799 available to support businesses. The grants have been advertised through the Council web pages, social media and the Spelthorne Business Forum; additionally, businesses that had applied previously have been contacted directly to make them aware of new windows.
- 1.5 Great care and time is taken to consider these applications to mitigate the risk of fraudulent claims; each application involves at least 2 officers to scrutinise the information provided.
- 1.6 The 4th window opened on 1st July and closed on 18th July 2021 resulting in 122 applications. To date around 50% of the applications have been

reviewed and 24 of those businesses have received a payment with a total value of just over £100k

2. Options analysis and proposal

- 2.1 The government has enabled a degree of flexibility in relation to how the ARG is used to support business, but the key condition is that whatever we do it must give 'DIRECT SUPPORT' to businesses. Conversations have been had with BEIS in relation to opening up an opportunity for businesses to apply to the fund for replacement of new equipment and they have replied positively as long as their key condition is applied. Research also shows that other areas are also utilising the ARG in this fashion.
- 2.2 Another popular utilisation of the funds is to provide businesses with professional advice and support on a 1-1 basis to help them navigate their way safely out of the crisis. This would include support around finances, HR, business development and opportunities, in fact any subject matter that each individual business requires.
- 2.3 The above suggestions have already been greeted favourably by the E.D Committee and a formal document proposing the adoption of them will be submitted in the very near future.

3. Financial implications

- 3.1 The funding is available for Spelthorne Council to dispense until 31.3.22; any money not spent must be returned to the government. As we approach February 2022 the Committee will need to take stock in respect of the amount of funding that is left and identify the best means of utilising any ARG that is left to best support our businesses.

4. Other considerations

- 4.1 There are none.

5. Equality and Diversity

- 5.1 N/A

6. Sustainability/Climate Change Implications

- 6.1 N/A

7. Timetable for implementation

- 7.1 September – decision made by the E.D Task Group with regards to proposals to utilise the ARG and a new window is opened for businesses to apply for those elements agreed. By October 2021 applications processed and ARG allocated over the next month or two. January 2022 take stock of how much funding is left and agree how to best allocate the remaining funds prior to 31.3.22.

Background papers:
There are none.

Appendices:
There are none.