

Economic Development Committee



16 November 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	N/A
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 one specific element of the Economic Development Recovery Plan.
- 1.2 The Additional Restrictions Grant (ARG) is a fund allocated by the Government to all local authorities based upon population size in order to provide financial assistance for those business severely impacted by 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 £711,000 was allocated and 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. At the end of the 3rd window £2,257,799 was still 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 100% of the applications have been reviewed and

49 of those businesses have received a payment with a total value of £268,500 so £1,930,000 remains to be spent.

2. Options analysis and proposal

- 2.1 The ARG Task Group met on 15th September where proposals we made in relation to the next and final stage of support. Councillors on this Task Group considered each of the proposals in detail, asked challenging questions and made valuable contributions. At the end of the session, they advised that they were comfortable with the proposals set out by officers. They were very keen for the work to assist businesses should proceed as soon as possible, but also that there needed to be a mechanism to review outcomes) and whether later down the line the support had actually helped the businesses. This report is attached as Appendix 'A'.
- 2.2 The support provided for businesses to date has been by way of a direct credit to the businesses bank account of up to £10k over 4 windows of opportunity; this Phase 1 is described as the 'survival' support.
- 2.3 Phase 2 is the 'Recovery and Strengthen' stage; this consists of a programme of support designed to give businesses the best chance of improving their competitiveness, turnover, and success. This will be achieved through 3 key interventions. More details are contained within Appendix 'A'.

Improve equipment: Help improve the competitiveness of businesses by upgrading the 'tools' that they use to compete for business. Businesses will be invited to apply for funding to purchase new or replacement equipment to make their business more efficient, effective and productive.

People Skills: Improve the skills and abilities of our business owners by the provision of professional business support and training.

Make best use of Technology: To make the best use of digital technology so that they can compete on-line / utilising social media as well as through bricks and mortar. Training has already been booked to provide hands-on digital / social media training over 5 weeks for 2 hours in the evening starting on 11th November.

2.4

3. Financial implications

- 3.1 The funding is available for Spelthorne Council to dispense until 31 March 2022; any money not spent must be returned to the government. As we reach January 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.
- 3.2 No decision can be taken until it is known how much funding is left, but one option may be to provide addition funding to businesses that are selected because they offer the best opportunities to grow and take on extra staff as a result of the funds. There will be a further Task Group meeting to consider any options in detail before the Committee is updated.

4. Other considerations

- 4.1 There are none.

5. Equality and Diversity

- 5.1 The impact on equality and diversity issues is considered at every action

6. Sustainability/Climate Change Implications

- 6.1 Use of the ARG funding has potential to have a positive impact on the environment through new equipment which is greener and less polluting.

7. Timetable for implementation

- 7.1 October / November 2021 open applications for funding of equipment, provide digital training and procure business support.
- 7.2 January 2022 take stock of how much funding is left and agree how to best allocate the remaining funds prior to 31 March 2022.

Background papers:

There are none.

Appendices:

'A' Report to the ARG Task Group