

Economic Development Committee



9th June 2022

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

1. Summary of the report

- 1.1 This report seeks to provide an update in relation to the allocation of ARG funding to businesses within the borough

2. Key issues

- 2.1 The purpose of this report is to provide a final written update with regards to the utilisation of the Additional Restrictions Grant (ARG) as included within the Economic Development Forward Plan.
- 2.2 The ARG was a fund allocated by the Government to all local authorities based upon its population size in order to provide financial assistance for business who were severely affected by the impact of COVID-19. The government sometimes 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.
- 2.3 Grants totalling £3,081,799 were allocated to Spelthorne over a 2-year period, most of which was allocated by bank transfers into business accounts. The Economic Development Committee set up an ARG Task Group in the summer of 2021 to help oversee and direct the allocation of the ARG grants which proved to be key to the successful distribution of the remaining funds. In accordance with the strategy that was agreed, the initial phase of 'survival' was followed by the final phase beginning in autumn 2022 of revival and strengthening the Spelthorne business base. At the last update for the Economic Development Committee on 22 March 2022, the report recorded that on 17th February there was £1,390,649 left in the ARG fund

- 2.4 The ARG Task Group and officers were resolute that all the grants provided to support Spelthorne businesses would be allocated within the 31.3.22 deadline. This was successfully achieved with days to spare.
- 2.5 To ensure the businesses received 'direct support', around £1m was invested in the businesses in the borough by way of equipment grants. This enabled businesses to carry out work that they were unable to do previously as well as enable many businesses to operate more efficiently, effectively, competitively, and greener than before.
- 2.6 Grants were also made available to improve shop fronts and interiors as well as an opportunity for businesses that had not had a grant previously to access one before the window closed.
- 2.7 In addition to the above, Spelthorne council procured 12 months professional business coaching (£45k) which allows 6 businesses a week to receive 1-1 business advice as well as people who are thinking about setting up their own business and do not know how to start. £5k worth of memberships to the Federation of Small Businesses (FSB) to be allocated to up to 27 businesses that would really benefit over the next 12 months. 9 Social-Media for Business workshops (£42k) spread out over up to 2 years will be available for up to 15 businesses a workshop (a workshop lasts for 2 hours one evening a week for five weeks), and 30 websites (£70k) will be created for those businesses that can demonstrate significant benefits by accessing this facility.
- 2.8 The availability for these courses is advertised on the SBC website, as well as by the electronic and hand delivered Bulletin as well as via social media. The SBF website and newsletter also promotes the opportunity. The success of the advertising of the above has meant that the next 2 social-media for business courses already have more than 30 businesses waiting to attend.

3. Options analysis and proposal

- 3.1 It is proposed that there will be a survey carried out with businesses in receipt of ARG in October, and another one 6 months later in April 2023. In addition to carrying out the survey, the Economic Development Team will capture some case studies and with consent publicise them within the borough using a variety of methods in collaboration with the communications team which will be published in the Bulletin.
- 3.2 An internal audit is currently being carried out in relation to the distribution and application of the ARG which was agreed as part of the Audit Plan for 2022/23.
- 3.3 It is anticipated that these grants will have been a once in a lifetime opportunity, however, if this is not the case Spelthorne will have access via the surveys to apply lessons learnt from this experience that can be applied at a future occasion.

4. Financial implications

- 4.1 It is understood that BEIS will be undertaking an audit at some point on how various COVID business grants, including ARG, were spent. As a Council, we have been particularly robust from a fraud perspective and made best endeavours to ensure that only legitimate businesses received grants utilising the expertise of the Deputy Group Head of Customer Services to review all bids. BEIS may also look into the variety of ways in which Councils chose to

allocate and prioritise how they spent their grant monies. Any learning points from either this exercise or that of the internal audit which is being undertaken will be taken on board.

5. Risk considerations

5.1 Audit already in progress in relation to the methodology implemented and processes applied.

6. Legal considerations

6.1 No legal implications identified

7. Other considerations

7.1 There are none.

8. Equality and Diversity

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

9. Sustainability/Climate Change Implications

9.1 Consideration of the impact on the climate was factored in when applying the grants.

10. Timetable for implementation

10.1 The allocation of the grants has been completed however there is still work to be done to ensure that equipment has been purchased and receipts are collected.

11. Contact

11.1 Tracey Carter t.carter@spelthorne.gov.uk

Background papers: There are none.

Appendices: There are none.