

Appendix 'A'

Below are the responses made in relation to the concerns raised by Audit.

Reply from the Department for Business, Energy and Industrial Strategy (15/11/22)

'I can confirm from reading your email that the description of direct business grants awarded under the ARG scheme indicates that the grant awards were in line with the BEIS ARG Guidance – there was no stipulated restrictions on how the funds should be spent by the business once awarded, and a business utilising the grant to purchase capital equipment or to replace existing outdated equipment is fully eligible. Similarly, a grant award for wider business support to deliver training events or to provide subsidised / free membership to an appropriate network (such as the FSB) is in line with the ARG Scheme Guidance.

From your questions you sounded like a LA that was utilising the funds to really meet local need, finding out what worked and targeting support – some other LAs had a much more relaxed scattergun approach, which although probably eligible was not how government had hoped the funds would be spent. That said with all the pressure on resources in LAs I can totally get why some Councils simply followed the scattergun approach and crossed their fingers.

Reply from the then Deputy Group Head Customer services (25/11/2022)

I believe that we did what was possible as a group following the application process and that I did diligence tests against their accounts and the history of business rate grants given prior to any award of ARG. All the cases were discussed some more than others and as result of those discussions awards were refused or amended. I was looking financially, and economic development was looking at the business and working with individuals/companies and I believe we got the right balance. Some decisions I did not fully agree with and some ED did not fully agree with but the cases were debated at length and democratic decisions were made.

Some photographs showing equipment purchased and improved shop fronts

Before



After



New display cabinet, more efficient and less energy



New chiller, - energy efficient and attractive



New shop front

