



# Notice of a public Decision Session - Executive Member for Finance and Performance

# Meeting to be held in consultation with the Executive Member for Economy and Strategic Planning.

**To:** Councillor Ayre (Executive Member for Finance and

Performance) and Councillor Waller (Executive Member

for Economy and Strategic Planning)

Date: Thursday, 24 September 2020

**Time:** 2.00pm

**Venue:** Remote meeting

### **AGENDA**

# Notice to Members – Post Decision Calling In:

Members are reminded that, should they wish to call in any item\* on this agenda, notice must be given to Democratic Services by **4:00pm** on **Monday 28 September 2020**.

\*With the exception of matters that have been the subject of a previous call in, require Full Council approval or are urgent which are not subject to the call-in provisions. Any items that are called in will be considered by the Customer and Corporate Services Scrutiny Management Committee.

Written representations in respect of items on this agenda should be submitted to Democratic Services by **5:00pm** on **Tuesday 22 September 2020**.

#### 1. Declarations of Interest

At this point in the meeting, the Executive Members are asked to declare:

- any personal interests not included on the Register of Interests
- · any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

# **2. Minutes** (Pages 1 - 2)

To approve and sign the minutes of the Decision Session held on 24 July 2020.

# 3. Public Participation

At this point in the meeting members of the public who have registered to speak can do so. Members of the public may speak on agenda items or on matters within the remit of the committee.

Please note that our registration deadlines have changed to 2 working days before the meeting, in order to facilitate the management of public participation at remote meetings. The deadline for registering at this meeting is **5:00pm** on **Tuesday 22 September 2020.** 

To register to speak please contact Democratic Services, on the details at the foot of the agenda. You will then be advised on the procedures for dialling into the remote meeting.

# **Webcasting of Remote Public Meetings**

Please note that, subject to available resources, this remote public meeting will be webcast including any registered public speakers who have given their permission. The remote public meeting can be viewed live and on demand at www.york.gov.uk/webcasts.

During coronavirus, we've made some changes to how we're running council meetings. See our coronavirus updates (www.york.gov.uk/COVIDDemocracy) for more information on meetings and decisions.

# 4. Covid-19 Business Grant Report

(Pages 3 - 8)

The report provides the Executive Member for Finance & Performance and the Executive Member for Economy & Strategic Planning with details of the financial support provided by City of York Council (CYC) to business in York through all grants and reliefs during the Covid-19 pandemic.

# 5. Urgent Business

Any other business which the Executive Member considers urgent under the Local Government Act 1972.

# **Democracy Officer:**

Name: Louise Cook Telephone: (01904) 551031

Email: louise.cook@york.gov.uk

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports and
- For receiving reports in other formats

Contact details are set out above.

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym jezyku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

(Urdu) یه معلومات آب کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔

**T** (01904) 551550



City of York Council Committee Minutes

Meeting Decision Session - Executive Member for

Finance and Performance

Date 24 July 2020

Present Councillor Ayre (Executive Member)

#### 14. Declarations of Interest

The Executive Member was asked to declare, at this point in the meeting, any personal interests, not included on the Register of Interests, or any prejudicial or disclosable pecuniary interests that he might have in respect of business on the agenda. None were declared.

#### 15. Minutes

Resolved: That the minutes of the Executive Member for Finance and Performance Decision Sessions held on 16 March 2020 be approved and then signed by the Executive Member as a correct record.

# 16. Public Participation

Ruth Yeadon spoke as the owner of the Murton Arms and spoke against the listing of the Murton Arms as a Assets of Community Value (ACV) She noted she had not been made aware of the pub having had a ACV when purchasing and would not have done had she been aware. She stated that the pub was not commercially viable and asked that the car park not be considered in the same nomination as it had a separate owner.

# 17. Application for Community Right to Bid under the Localism Act 2011

The Executive Member considered a report that sought approval for The Murton Arms and The New Earswick & District Indoor Bowls Club to be listed as an Asset of Community Value (ACV). It was outlined that the purpose behind the request to be relisted was to ensure that property (land and building) assets which were currently being used to the benefit of the local community

being given a fair opportunity to bid for these assets when they are put on the open market.

Discussion took place around the process for applying for a ACV, as well as, the criteria that needed to be meet for an ACV application. It was noted that the 5 year restriction would not apply when applying for an ACV, if an ACV had previously been approved and then withdrawn. The ability to apply for compensation for additional costs during the listing were also noted.

It was confirmed that different ownership of The Murton Arms and the car park formally part of the pub would not require separate application. In relation to The New Earswick & District Indoor Bowls Club officers confirmed that the applicant was not required to prove the bowls club's financial sustainability, only that it had the capability to be used by the community.

#### Resolved:

- i. The Murton Arms (formerly The Bay Horse), Main Street, Murton, York, was listed as an Asset of Community Value (ACV).
- ii. The New Earswick & District Indoor Bowls Club, Huntington Road, Huntington, York, was listed as an Asset of Community Value (ACV).

Reason: To ensure the Council meets its legislative requirements of the Localism Act 2011 and promotes community access to community facilities.

Cllr Nigel Ayre, Executive Member [The meeting started at 3:00pm and finished at 3:22pm].



# Executive Member for Finance & Performance in consultation with the Executive Member for Economy & Strategic Planning

24 September 2020

Report of the Assistant Director, Customer & Digital Services

# **Covid-19 Business Grant Report**

# **Summary**

 This paper provides the Executive Member for Finance & Performance and the Executive Member for Economy & Strategic Planning with details of the financial support provided by City of York Council (CYC) to business in York through all grants and reliefs during the Covid-19 pandemic.

#### Recommendations

- 2. The Executive Members are asked to note:
  - a) The financial value and number of businesses supported by the council.
  - b) The speed and efficiency in distributing the support
  - c) That the Government's Small Business Grants (SBG) and Retail, Hospitality and Leisure grants (RHLG) closed for applications on 28 August 2020.

Reason: To clearly set out the extent of the financial support provided by the council and the speed at which it was provided to businesses in York.

# **Background**

- 3. At the time of the national budget on 11 March 2020 the Government was aware of the impending impact of Covid-19 on business. It sought to mitigate the impact through a mix of grants and business rate reliefs delivered at a local level including:
  - Business rates discount of 100% for qualifying retail businesses
  - Retail, Hospitality and Leisure grants

- Small business grant scheme.
- 4. The council was aware at a very early stage that the Government schemes had some gaps especially for micro businesses who had no Rateable Value (RV) and given the makeup of the York economy quickly introduced its own Micro Grant scheme to support these businesses setting aside £1m of the council's own budget.
- 5. On the 1 May 2020 the Government announced a new discretionary grant scheme the purpose of which was to allow local authorities to provide support to those businesses who 'fell through the cracks' of the main grant schemes. It was aimed predominantly at shared space companies, small & micro businesses, market traders and B&B's paying council tax.
- 6. This scheme superseded the council's own micro scheme as an enhanced micro grant scheme on the 1 June 2020 with a window of one calendar month. The funding provided by central government was 5% of spend made by each council on the existing government grant schemes (SBG/RHL) approximately £2.2m for York at that time.

#### **Business Rate Reliefs**

7. The business rate relief schemes introduced by Government were for the financial year 2020/21 and remain open although all awards in York have now been made. Table 1 below sets out the number of business who received an award and the value of the awards:

Table 1

Discount	No	Value
Retail Discount - RV		
under 51,000	1709	£12,943,140.32
Retail Discount - RV		
over 51,000	648	£57,085,485.68
<b>Total Retail Discount</b>	2357	£70,028,626.00
Nursery Discount	36	£311,783.57
TOTAL DISCOUNTS	2393	£70,340,409.57

# Retail, Hospitality, Leisure and Small Business Grants

8. The Government's small business and retail, hospitality & leisure grants (SBG/RHL) were implemented and distributed effectively and efficiently by the council following the Government guidelines and applying proper and proportionate pre-payment checking to avoid fraud. By 8<sup>th</sup> September 2020 the council had paid out £46m against an initial grant allocation of £44m (104%). York is one of the highest performing councils in terms of the time taken to provide this financial support to business at a time when they desperately needed the money. The scheme closed to new applications on 28 August with a further month allowed for all payments to be made. Table 2 below shows the payments made to date:

Table 2

Grant Type	Actual number of Payments	Actual Value of payments
Small		
Business		
Grant	2186	£21,860,000
Retail,		
Hospitality		
and		
Leisure		
Grant	1345	£24,375,000
Total	3531	£46,235,000

#### **Micro Grant Scheme**

9. As described earlier, the council put in place a micro grant scheme in April to support small businesses who 'fell through the cracks' of the Government support. The scheme was extremely successful and oversubscribed before being superseded by the enhanced micro grant scheme using the Government's discretionary grant funding from 1 June 2020. The total number of businesses supported and spend is set out in table 3 below:

Table 3

Micro Grant Scheme				
Number of successful	Budget	Spend		
applications	£k	£k		
1,112	£1,000	£1,122		

#### **Enhanced Micro Grant Scheme**

10. The enhanced micro grant scheme superseded the micro grant scheme on 1 June 2020 for an initial window of one month. As with the original micro grant scheme the demand was high and by closure on the 30 June the funding (£2,233,250) had been spent as set out in table 4 below:

Table 4

Category	No of Applications paid	Amount Paid
CHARITY	14	£34,000
MARKET	27	£55,580
MICRO	294	£1,357,203
SELF		
EMP	276	£272,661
SMALL	36	£339,200
NURSERY	18	£179,000
B&B	5	£11,000
Grand		
Total	670	£2,248,644

11. Despite the support provided by Government and the £1m+ of funding put in place by the council it's acknowledged that there was not support available for all businesses in the city. The schemes were designed by government to support categories and size of business based upon rateable values. The council was and is fully aware of this issue and has written and lobbied central government to make more funds available.

# **Financial Support**

12. As at the 8 September 2020 the total value of support provided to businesses in York during the Covid-19 pandemic is £119.9m comprising 7,706 transactions. The council and Government schemes are now closed but the Government grant payments

continue for any existing applications until the end of September. It is possible these figures could rise slightly by the end of the month.

# **Council Budget Implications**

13. The discretionary schemes (Micro Grant and Enhanced Micro Grant) are closed as set out above. The financial implications to the council in terms of budget and the oversubscribed demand are set out at table 5 below:

Table 5

Council Budget for Micro Grant	
Scheme	£1,000,000
Governments Discretionary	
Grant funding	£2,233,250
Less Micro Scheme Spend	£1,122,000
Less Discretionary Scheme	
Spend	£2,248,644
Balance	-£137,394

14. The funding received from Government in respect of the discretionary scheme was a fixed guaranteed minimum based on estimated payments made through the Government grant schemes. The level of grant was based on 5% of gross awards and the current spend is set out at Table 2. BEIS are still to confirm the value of additional grant based on actual spend the full total not being known until the end of September when all payments need to have been made. On the current value spent it will substantially reduce (£78,500) but not meet the full level of support provided. As payments continue to be processed this figure will continue to rise.

# **Implications**

#### **Financial**

15. There are no financial implications associated with this paper as it is for information only and sets out the current position after closure of the funded grant schemes. There is a potential small overspend arising from the initial micro grant scheme however this should reduce (Para 14) when the further payments are made on the government grant scheme.

# **Human Resources (HR)**

16. There are no HR implications.

# **Equalities**

17. This report will impact on all communities equally.

# Legal

18. No implications

# **Crime and Disorder, Information Technology and Property**

19. No implications

# **Risk Management**

20. There are no risks associated with this paper.

Author responsible for the Chief Officer responsible for the report: report:

David Walker Pauline Stuchfield

Head of Customer & Assistant Director Customer and Digital

Exchequer Services Services

david.walker@york.gov.uk

# **Specialist Implications Officer(s):**

Wards Affected: All  $\sqrt{\phantom{a}}$ 

For further information please contact the author of the report

Background Papers: None

#### **Abbreviations:**

CYC - City of York Council

HR - Human Resources

RV - Rateable Value

RHLG - Retail, Hospitality and Leisure grants

SBG - Small Business Grants