

Delegated Cabinet Member Key Decision Report

Decision Maker and Portfolio area:	Cllr Arooj Shah, Leader of the Council and Portfolio Holder for Economic and Social Reform
Date of Decision:	11 January 2022
Subject:	Omicron Hospitality and Leisure Grant
Report Author:	Caroline Lee, Head of Revenues and Benefits
Ward (s):	All

Reason for the decision: The purpose of this report is to seek immediate approval to administer the Omicron Hospitality and Leisure Grant scheme.

Summary: On 21 December 2021 the Government announced the introduction of grant support for hospitality, leisure and accommodation businesses in England with full guidance being issued on 30 December 2021. The scheme provides one off grant support in recognition of the impact on these businesses of the rise of the Omicron variant.

An application process for the grant must be carried out and will close on 28 February 2022 with all payments to eligible businesses made by 31 March 2022.

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

Two options are submitted for consideration. Option 1: That the Council launches an application process and starts to issue Omicron Hospitality and Leisure Grant to eligible businesses to meet the Government's deadline to issue payments by 31 March 2022 and to as many eligible businesses as possible.

Option 2: That the Council does not to make payments in respect of Omicron Hospitality and Leisure Grants This would result in the funding

being returned to BEIS and businesses in Oldham not benefitting from the business grants.

Recommendation(s):

The recommended option is Option 1. That the Council launches an application process and starts to issue Omicron Hospitality and Leisure Grant to eligible businesses to meet the Government's deadline to issue payments by 31 March 2022 and to as many eligible businesses as possible.

Implications:

*What are the **financial** implications?*

The Council has been allocated an initial grant allocation of £1,398,087. This allocation represents 90% of the overall grant meaning the maximum grant award for the Council will be £1,553,430.

The Council will act as an Agent for the Government in awarding the grants. Therefore, there is no expectation for the Council to contribute any additional funding to the Government Grant.

Any remaining unallocated grant will be returned to the Department for Business, Energy and Industrial Strategy (BEIS).
(John Hoskins)

What are the **procurement** implications?

Not applicable

*What are the **legal** implications?*

Option 1 is supported. The funds are not council funds and will support businesses in need. It is important to administer the application process correctly. Legal Services
(Alex Bougatef)

*What are the **Human Resources** implications?*

Not applicable

Equality and Diversity Impact Assessment attached or not required because (please give reason)

Not applicable

What are the **property** implications?

Not applicable

Risks:

The Council will act as an Agent in the administration of these grants. It is important the risk of paying promptly is balanced with appropriate checks on the validity of any applicants. **(Mark Stenson)**

Co-operative agenda

This decision is compatible with the values of the Council and its co-operative ethos.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution?

Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget?

Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council?

No

Reason for urgent report

This item has not been published on the forward plan for the required 28 clear days and therefore, the Chairman of the Overview and Scrutiny Committee has agreed an exemption in accordance with Rule 14.

Reason for exemption from call in

The Chair of the Policy Overview and Scrutiny Committee has agreed to this item being exempt from call in because of the importance of quickly issuing grant funding to affected businesses.

Reason why this is a Key Decision

- (1) to result in the local authority incurring expenditure or the making of savings which are, significant (over £250k) having regard to the local authority's budget for the service or function to which the decision relates; or
- (2) to be significant in terms of its effects on communities living or working in an area comprising two or more Wards or electoral divisions in the area of the local authority.

List of Background Papers under Section 100D of the Local Government Act 1972:

Title	Available from
Omicron Hospitality and Leisure Grant Guidance for Local Authorities	Omicron Hospitality and Leisure Grant: guidance for Local Authorities (publishing.service.gov.uk) https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities

Report Author Sign-off:	
Caroline Lee	Head of Revenues and Benefits
Date: 11 January 2022	

Please list any appendices: -

Appendix number or letter	Description
Appendix 1	Eligible and Ineligible businesses

1. Background:

- 1.1 On 21 December 2021 the Government announced the introduction of grant support for hospitality, leisure and accommodation businesses in England with full guidance being issued on 30 December 2021. The scheme provides grant support in recognition of the impact on these businesses of the rise of the Omicron variant.
- 1.2 The support is a one -off grant funding to eligible businesses in these sectors as set out in Table 1.

Table 1 Grants Available

Rateable Value of the Business	£15,000 or below	£15,001 - £50,999	£51,000 and over
One off grant of	£2,667	£4,000	£6,000

- 1.3 Eligible businesses need to have been trading on 30 December 2021. A list of eligible and ineligible businesses is set out in Appendix 1 and detailed information about the scheme and the obligations placed on Local Authorities to administer it. Requirements include ensuring an application process is set up, pre and post payment assurance checks are carried out and that businesses explicitly confirm that they meet the eligibility criteria for the scheme including not exceeding subsidy allowances. More detail is available in the Government guidance (linked in the list of background papers for this report).
- 1.4 Applications for the scheme must close on 28 February 2022 and all payments must have been issued by 31 March 2022. Ringfenced Government funding will cover the cost of payments made. A notification of an allocation of £1,398,087 was issued to the Council on 7 January 2022, (representing 90% of the estimated spend). Spend above this amount will be topped up. Undispersed funds must be returned to the Department for Business, Energy and Industrial Strategy (BEIS).
- 1.4 The Council estimates that 967 businesses in Oldham may be eligible for the scheme and to ensure that an application process is carried out in time for all payments to be issued before the 31 March 2022 deadline, it is important to start this work as soon as possible. This is because there is little time to deliver the scheme which will need to be delivered at the same time as annual billing is carried out. The COVID 19 Additional Relief Fund (CARF), which is a discretionary rates relief scheme aimed at supporting businesses impacted by COVID 19 in 2021/22, was also announced just before Christmas and will be the subject of a separate report. It is highlighted in this report because this scheme is also required to be delivered before the end of this financial year.

2.0 Options

- 2.1 Option 1: That the Council launches an application process and starts to issue Omicron Hospitality and Leisure Grant to eligible businesses to meet the Government's deadline to issue payments by 31 March 2022 and to as many businesses as possible.
- 2.2 Option 2: Not to make payments in respect of Omicron Hospitality and Leisure Grants This would result in the funding being returned to BEIS and businesses in Oldham not benefitting from the business grants.

3.0 Recommendation

- 3.1 It is recommended that Option 1 is approved. That the Council launches an application process and starts to issue Omicron Hospitality and Leisure Grant to eligible businesses to meet the Government's deadline to issue payments by 31 March 2022 and to as many businesses as possible.

Signed:  Date: 11 January 2022

Cllr Arooj Shah, Leader of the Council and Portfolio Holder for Economic and Social Reform

Signed:  Date: 12 January 2022

Paul Entwistle, Director of Legal Services

Signed:  Date: 12 January 2022

Anne Ryans, Director of Finance

Appendix 1 Eligible and Ineligible Businesses

Eligible Businesses	
Hospitality	<ul style="list-style-type: none"> • Food courts • Public houses/pub restaurants • Restaurants • Roadside restaurants • Wine bars • Cafés
Leisure	<ul style="list-style-type: none"> • Casinos and gambling clubs • Cinemas • Museums and art galleries • Stately homes & historic houses • Theatres • Zoos & safari parks • Amusement parks • Wedding venues • Events venues • Night clubs & discotheques • Arenas • Concert halls • Tourist attractions • Theme parks • Amusement arcades • Soft play centres or areas • Indoor riding centres • Clubs & institutions • Village halls & scout huts, cadet huts, etc.
Accommodation	<ul style="list-style-type: none"> • Caravan parks • Caravan sites and pitches • Chalet parks • Coaching inns • Country house hotels • Guest houses • Hostels • Hotels • Lodge • Holiday apartments, • Cottages or bungalows • Campsites • Boarding houses • Canal boats or other • vessels • B&Bs • Catered holiday homes • Holiday homes

Ineligible businesses include those:

- Not on the rating list
- In administration, insolvent or where a striking off notice has been made
- That have already received grant payments that equal the maximum permitted subsidy allowances
- Not trading on 30 December 2021
- Not in the Hospitality, Leisure or Accommodation sectors and/or where 50% or more of the overall business does not fall into one of these categories

The guidance issued by the Government also excludes the following businesses

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1044354/omicron-hospitality-and-leisure-grant-guidance.pdf

- Food kiosks and businesses whose main service (generating 50% or more of income) is a Takeaway (not applicable to those that have adapted to offer takeaways during periods of restrictions, in alignment with previous COVID-19 business grant schemes)
- All retail businesses
- Coach tour operators, and tour operators
- Private dwellings
- Education accommodation,
- Residential homes, care homes and residential family centres
- Beach huts