

ECONOMY AND RESOURCE SCRUTINY COMMITTEE

1 JULY 2021

COVID-19 BUSINESS GRANTS

SUMMARY REPORT

Purpose of the Report

1. The purpose of the report is to provide an overview of the distribution of the Covid-19 grants awarded to Darlington businesses.

Summary

2. Darlington Borough Council have administered various financial support schemes for business on behalf of the Government throughout the pandemic.
3. The total value of Covid-19 financial support grants awarded to Darlington businesses since the start of the pandemic in March 2020 is £44,101,740.

Recommendation

4. It is recommended that Members note the report.

Ian Williams, Chief Executive

Background Papers

None

A Perkin : Extension 6308

S17 Crime and Disorder	There are no specific crime and disorder implications in this report.
Health and Wellbeing	There are no Health and Well Being Issues.
Carbon Impact and Climate Change	There are no direct carbon impact issues as a result of this report.
Diversity	The report does not contain any proposals that impact on diversity issues.
Wards Affected	All wards are affected.
Groups Affected	Darlington businesses.
Budget and Policy Framework	The decision does not represent a change to the budget policy framework.
Key Decision	This report does not require a key decision.
Urgent Decision	This report does not require an urgent decision.
One Darlington: Perfectly Placed	This issues contained within the report will contribute to the economy by providing support to local businesses.
Efficiency	There are no specific efficiencies identified in this report.
Impact on Looked After Children and Care Leavers	The report has no impact on Looked After Children or Care Leavers.

MAIN REPORT

Information and Analysis

5. Darlington Borough Council have administered the various financial support schemes for business on behalf of the Government.
6. The table below shows the number of grants awarded and overall values for the national Local Restrictions Support Grants:

Local Restriction Support Grants (October 2020 – March 2021)					
	Applications	Approved	Declined	Awaiting Decision	Amount Paid
LRSG Open	364	224	140	0	£192,075.70
LRSG (Closed Addendum) National Lockdown	1,099	871	228	0	£1,336,122.00
LRSG Tier 3	461	265	196	0	£427,264.43
Christmas Support Payment for Pubs	77	51	26	0	£51,000.00
LSRG Tier 4/National Lockdown	1,279	909	369	1	£4,416,912.37
Closed Business Lockdown Payment	893	893			£4,028,285.71
TOTAL:	4,173	3,207	959		£10,451,660.21

7. As part of the March 2021 Budget, the Government set out a new wave of support measure for the small businesses, including Restart Grants to support local economies as they emerge from the pandemic and lockdown restrictions and commence a path of recovery. The awards so far are as follows:

Restart Grants				
Applications	Approved	Declined	Awaiting Decision	Amount Paid
901	793	101	7	£5,666,064.00

8. In addition to the national government support schemes, Darlington Borough Council was allocated £3m for delivering local discretionary grants via the Additional Restrictions Grant. The table below shows the status of grant awards from this fund.

Additional Restriction Grants					
	Applications	Approved	Declined	Awaiting Decision	Amount Paid
ARG Phase I - Lockdown	1004	609	395	0	£1,837,606.09
ARG Phase II - Recovery		472			£1,106,410.00
TOTAL:	1,004				£2,944,016.09

9. So far, the number and value of Covid-19 business grants awarded via the council since the start of the pandemic is as follows:

- (a) 735 Small Business Grants - £17,350,000
- (b) 364 Retail, Hospitality and Leisure Grants - £ 6,520,000
- (c) 105 Discretionary Grants - £ 1,170,000
- (d) 3,207 Local Restriction Support Grants - £10,451,660
- (e) 793 Restart Grants - £ 5,666,064
- (f) 1,081 Additional Restriction Grants - £ 2,944,016

10. The total value of Covid-19 financial support grants awarded to Darlington businesses since the start of the pandemic in March 2020 is £44,101,740.

11. As part of the delivery of the discretionary grant funding, several fraudulent attempts to claim grants have been received by Council officers. In most cases, these were identified and prevented from accessing grant funding. Of the 1004 applications, however, 3 applications were awarded grant funding to the value of £12,500 (in total). In each case, the fraudulent application had stolen the identity of an existing Darlington business, and submitted fabricated evidence to support the grant claim. All cases of suspected fraudulent grant claims are reported to the Governments National Anti-Fraud Network for investigation, and, in the case of the 3 identity thefts, each individual business has been informed.