

Record of individual Cabinet member decision

Local Government Act 2000 and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Decision made by	Councillor Emily Smith, Leader of the Council
Key decision?	Yes District-wide impact Call-in will be requested to be waived by Scrutiny Committee chairman due to the Government requirement for the grant fund to close on 28 August 2020
Date of decision (same as date form signed)	10 August 2020
Name and job title of officer requesting the decision	Melanie Smans, Economic Development & Active Communities Manager
Officer contact details	Tel: 07801 203542 Email: melanie.smans@southandvale.gov.uk
Decision	To approve a top-up grant round of the Local Authority Discretionary Grants Fund (DGF) and to delegate the authority to award grants, to the Acting Deputy Chief Executive – Place jointly with the Head of Finance. Following the ICMD to approve the criteria and process for the DGF round one (signed 27 May 2020) and round two (signed 18 June 2020), approval is sought for a top-up round to distribute the remaining unspent funds by 28 August 2020.
Reasons for decision	Top-up grants are permitted, as outlined in the DGF Guidance V3: <i>81. Could a Local Authority set an application cut-off and pay an initial grant (e.g. £5k) and then top up those grants if sufficient funding remains? It is up to individual Local Authorities how they structure their local grant schemes. Topping up of grants can be part of a local scheme.</i> On 23 July 2020, the Secretary of State wrote to local authorities to advise that the DGF will close on Friday 28 August 2020 and that any unspent funds must be returned to Business, Energy & Industrial Strategy (BEIS). Each grant round takes about five weeks to administer, meaning there is no time for a round three. An urgent decision is

	<p>required before round two applications are finalised so that the top-up grants can be prepared and delivered by the 28 August 2020 deadline.</p> <p>It is anticipated Round two applications will be processed and paid by 17 August 2020. After this date officers will be able to determine the amount of unspent funding and the value to be offered. It is anticipated that just over half the funding will be available after round two is completed (approximately £417,000). It is envisaged that the approximate 42 round one and round two micro business recipients could be offered a top-up grant of £5,000. Recipients will be required to sign and return an acceptance letter by 23 August 2020 to ensure that the council distributes the funding before the grant close date.</p> <p>The government is clear that the DGF is to support small and micro businesses ineligible for other government grants, including the Small Business Grant Fund (SBG) and the Retail, Hospitality and Leisure Grant Fund (RHLG), which have suffered a significant loss of income and have high fixed-property related costs. Round one and round two have exhausted the pool of applicants. If the micro businesses were eligible for the SBG fund, they would have received £10,000. Offering a top-up grant of £5,000 will result in businesses receiving £10,000 in total, thus providing funding at a similar level to the SBG, which is in accordance with the aim of the DGF.</p>
<p>Alternative options rejected</p>	<p><i>Opening Round Three</i> This option was rejected due to applicant pool being exhausted in round two and limited time available before the closure of the fund on 28 August 2020.</p> <p><i>Offering small business DGF recipients a top up grant</i> As per the Vale of White Horse District Council DGF criteria, small businesses were awarded a £10,000 grant. Offering a top up grant to small businesses was rejected as the BEIS guidance states that the DGF grant amount can be either £25,000, £10,000 or any amount under £10,000. BEIS has not confirmed if providing an additional £5,000 (thus £15,000 in total), is allowed.</p> <p><i>Not awarding all the grant funding</i> This option was rejected as the funding was made available to support local businesses. Offering a top-up grant will ensure the funding is provided to local businesses.</p>
<p>Legal implications</p>	<p>Grant recipients will be required to sign and return a letter of acceptance including the terms on which the council is offering the grant funding and the requisite State Aid declaration before the funds are released to minimise risk of funds being provided in error or as a result of fraud</p>

Financial implications	All grant recipients have passed fraud and audit checks. There will be no financial implications for the council as Clause 11 of the guidance states 'we are committed to meeting the delivery costs to local authorities for this scheme and will need associated "New Burdens costs".'			
Other implications	There is a reputational risk should the council not distribute all available funds. Businesses who are ineligible for the current raft of government support are urgently seeking support from local authorities, central government, and industrial groups.			
Background papers considered	Local Authority Discretionary Grants Fund Guidance for Local Authorities (13 May 2020) and FAQ V3 (10 July 2020)			
Declarations/conflict of interest? Declaration of other councillor/officer consulted by the Cabinet member?	Nil			
List consultees		Name	Outcome	Date
	Cabinet Member for Development & Regeneration	Bethia Thomas	Support	27/07/2020
	Ward councillors	NA		
	Legal	Pat Connell	Support – advised need for urgent notice as not on the work programme for 28 days	29/07/2020
	Finance	Kathy Merritt	Support	28/07/2020
	Human resources	NA		
	Sustainability	NA		
	Diversity and equality	NA		
	Communications	Shona Ware	Support	28/07/2020
	Senior Management Team	NA	Support providing £5,000 top up grant to micro businesses only.	05/08/2020
Confidential decision? If so, under which exempt category?	No			
Call-in waived by Scrutiny Committee chairman?	Yes via email 09/08/2020			
Has this been discussed by Cabinet members?	Yes – discussed with cabinet member for development and regeneration.			
Cabinet portfolio holder's signature	Signature ___ Councillor Emily Smith_____			

To confirm the decision as set out in this notice.	Date _____ 10 August 2020 _____
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ONCE SIGNED, THIS FORM MUST BE HANDED TO DEMOCRATIC SERVICES IMMEDIATELY.

For Democratic Services office use only		
Form received	Date: 10 August 2020	Time: 16:10
Date published to all councillors	Date: 11 August 2020	
Call-in deadline	Not applicable as call-in waived.	

Guidance notes

1. This form must be completed by the lead officer who becomes the contact officer. The lead officer is responsible for ensuring that the necessary internal consultees have signed it off, including the chief executive. The lead officer must then seek the Cabinet portfolio holder's agreement and signature.
2. Once satisfied with the decision, the Cabinet portfolio holder must hand-sign and date the form and return it to the lead officer who should send it to Democratic Services immediately to allow the call-in period to commence.
Tel. 01235 422520 or extension 2520.
Email: democratic.services@southandvale.gov.uk
3. Democratic Services will then publish the decision to the website (unless it is confidential) and send it to all councillors to commence the call-in period (five clear working days) if it is a 'key' decision (see the definition of a 'key' decision below). A key decision cannot be implemented until the call-in period expires. The call-in procedure can be found in the council's constitution, part 4, under the Scrutiny Committee procedure rules.
4. Before implementing a key decision, the lead officer is responsible for checking with Democratic Services that the decision has not been called in.
5. If a key decision has been called in, Democratic Services will notify the lead officer and decision-maker. This call-in puts the decision on hold.
6. Democratic Services will liaise with the Scrutiny Committee chairman over the date of the call-in debate. The Cabinet portfolio holder will be requested to attend the Scrutiny Committee meeting to answer the committee's questions.
7. The Scrutiny Committee may:
 - refer the decision back to the Cabinet portfolio holder for reconsideration or
 - refer the matter to Council with an alternative set of proposals (where the final decision rests with full Council) or
 - accept the Cabinet portfolio holder's decision, in which case it can be implemented immediately.

Key decisions: assessing whether a decision should be classified as 'key'

The South Oxfordshire and Vale of White Horse District Councils' Constitutions now have the same definition of a key decision:

A key decision is a decision of the Cabinet, an individual Cabinet member, or an officer acting under delegated powers, which is likely:

- (a) to incur expenditure, make savings or to receive income of more than £75,000;**

- (b) to award a revenue or capital grant of over £25,000; or**
(c) to agree an action that, in the view of the chief executive or relevant head of service, would be significant in terms of its effects on communities living or working in an area comprising more than one ward in the area of the council.

Key decisions are subject to the scrutiny call-in procedure; non-key decisions are not and can be implemented immediately.

In assessing whether a decision should be classified as 'key', you should consider:

- (a) Will the expenditure, savings or income total more than £75,000 across all financial years?
- (b) Will the grant award to one person or organisation be more than £25,000 across all financial years?
- (c) Does the decision impact on more than one district council ward? And if so, is the impact significant? If residents or property affected by the decision is in one ward but is close to the border of an adjacent ward, it may have a significant impact on that second ward, e.g. through additional traffic, noise, light pollution, odour. Examples of significant impacts on two or more wards are:
- Decisions to spend Didcot Garden Town funds (significant impact on more than one ward)
 - Changes to the household waste collection policy (affects all households in the district)
 - Reviewing a housing strategy (could have a significant impact on residents in many wards)
 - Adopting a supplementary planning document for a redevelopment site (could significantly affect more than one ward) or a new design guide (affects all wards)
 - Decisions to build new or improve existing leisure facilities (used by residents of more than one ward)

The overriding principle is that before 'key' decisions are made, they must be published in the Cabinet Work Programme for 28 calendar days. Classifying a decision as non-key when it should be a key decision could expose the decision to challenge and delay its implementation.