

REPORT:	LEADER 3rd December 2020 CABINET MEMBER FOR ECONOMIC RECOVERY & SKILLS 3rd December 2020
SUBJECT:	COVID 19 – 2nd Lockdown and local restrictions, Business Grants
LEAD OFFICER:	Shifa Mustafa, Executive Director of Place Stephen Tate, Director of Growth, Employment and Regeneration
CABINET MEMBER:	Cllr Manju Shahul Hameed, Cabinet Member for Economic Recovery & Skills Councillor Callton Young, Cabinet Member for Resources & Financial Governance
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON</p> <p>Covid-19 has had an unprecedented impact on the economy at a global scale, including the UK and Croydon. Our response to distributing four new Business Grant Schemes will support the following Corporate Plan priorities:</p> <ol style="list-style-type: none"> 1. Businesses move here and invest, our existing businesses grow Supporting businesses to restart and innovate mitigating the impact of the COVID 19 lockdown on their economic prosperity . Supporting a sustainable economic recovery of the borough. 2. Everybody has the opportunity to work and build their career By supporting the recovery of businesses the discretionary grant scheme also assists in sustaining the jobs available for our residents. <p>Corporate Plan for Croydon 2018-2022</p>	

FINANCIAL IMPACT

The Government has confirmed that Croydon will receive funding for new business grant schemes:

The schemes relevant to this report are:

1. Local Restrictions Support Grant (Open) – phase one value £480,567 (also the total value)
2. Additional Restrictions Grant – phase one value £3m (total value £7,734, 200)

This report covers phase one of the implementation. The phase two and the other grants announced by Government will be the subject of a future report to Cabinet.

These grants will support the recovery of our local businesses which will have a positive impact on the Council's finances in the longer term.

FORWARD PLAN KEY DECISION REFERENCE NO.: 6220ERS

This is a Key Decision as defined in the council's constitution. This key decision is requested under the special urgency measures as part of the emergency response to COVID 19.

1. RECOMMENDATIONS

For the Leader

The Leader is recommended to:

- 1.1 Delegate authority to Cllr Manju Shahul Hameed, Lead Cabinet Member for Economic Recovery & Skills in consultation with Cllr Callton Young, Cabinet Member for Resources & Financial Governance to approve the proposed criteria and implementation of phase one of the Additional Restrictions Grant and the Local Restrictions Support Grant Open, as detailed in this report.

For Cabinet Member

[Subject to the Leader's decision in relation to the recommendation above] The Leader has delegated to the Cabinet Member for Economic Recovery & Skills the power to make the decisions set below:

The Cabinet Member for Economic Recovery & Skills, in consultation with the Cabinet Member for Resources & Financial Governance, is recommended to:

- 1.1 Approve the proposed criteria and implementation plan for phase one of the discretionary funding distribution for the following schemes:
 - Local Restrictions Support Grant (Open) - £480,567
 - The Additional Restrictions Grant – £3,000,000

1.2 To note:

- Phase two will be the subject of a report to Cabinet; and
- The the mandatory grant schemes (Local Restrictions Support Grant (Sector), Local Restrictions Support Grant (Closed) and Local Restrictions Support Grants (Closed) Addendum), as further detailed in this report.

Cases of general urgency and special urgency:

Special urgency is being relied upon. The new business grant schemes were announced on the 31st October 2020. With the expectation from Government that the schemes were to be designed, implemented, and funding to be distributed to eligible businesses as soon as possible. Unfortunately, the relevant guidance was issued on 3rd November with additional guidance being added on 10th and 30th November with final FAQ's being issued 23rd December 2020. As such, there has not been time to this in line with the ordinary notice procedures. It is now impracticable to comply with Rule 31 (General Exception).

2. EXECUTIVE SUMMARY

- 2.1. Croydon is facing one of the most challenging periods in its economic history. Despite Croydon's many strengths the impact of COVID-19 (coronavirus) has created an economic crisis that needs an immediate coordinated response that reduces the financial impact on Croydon businesses. The consensus is that the impact of COVID-19 on the business community and the wider economy will be seismic and that the recovery will play out over many months, if not years.
- 2.2. This report seeks approval of the proposed mechanism, criteria and implementation of phase one of the process and distribution of the discretionary grants, developed in accordance with government guidance and consultation. These grants are:
 - **Local Restrictions Support Grant (Open)** – £480,567 (item 3 in table A)
 - **Additional Restrictions Grant** – £3m (item 5 in table A)
- 2.3. It is to be noted that phase two of implementation will be the subject of a future report to Cabinet.

3. BACKGROUND

- 3.1. Government announced new business grant schemes on 31st October 2020, with guidance to local authorities being issued recently. These schemes, delivered through local authorities, are to support local businesses during the 5 November to 2 December 2020 national lockdown and during periods of local restrictions. The guidance issued sets out the eligibility criteria, operation and delivery details for each strand of the schemes. The guidance relevant to the two schemes which

are the subject of this decision are contained within this report and the proposals set out below comply with this guidance.

3.2. These grants are in addition to the other mandatory grants that have also been announced by government which include:

- **Local Restrictions Support Grant (Sector)** - (item 1 in table A)
- **Local Restrictions Support Grant (Closed)** – (item 2 in table A)
- **Local Restrictions Support Grants (Closed) Addendum** – (item 4 in table A)

These grants are presented in this report for information only and do not require a decision regarding distribution since these are mandatory grants where government have already set out the relevant criteria.

All grants are outlined in the table below:

Table A

Number	Official Grant Scheme Name	Period	Description	Awards	Grant to Croydon	Awards to Businesses	Amount
1	Local Restrictions Grant (Sector)	1/11/20 - 4/11/20	Nightclub Grant	Funding to those businesses closed by statute since first lockdown - nightclubs and sexual entertainment venues (from 4/11/20 payments will be made under LRSG(Closed)A)	tbc	RV LE £15K	£667 per 14 day period
						RV GT £15K and LT £51K	£1000 per 14 day period
						RV GE £51K	£1500 per 14 day period
2	Local Restrictions Support Grant (Closed)	Date of Tier 3 restrictions	Tier 3 Impacted Grant	Businesses closed due to tier 3 lockdown	n/a	RV LE £15K RV GT £15K and LT £51K RV GE £51K	£667 per 14 day period £1000 per 14 day period £1500 per 14 day period
3	Local Restrictions Support Grant (Open)	17/10/20 - 4/11/20	Tier 2 Impacted Grant	Funding to those businesses affected by the Local Restrictions in Tier 2 or 3 - specifically aimed at the Leisure and Hospitality Industries . This is a discretionary scheme and award levels are only those suggested by BEIS	£480,567	RV LE £15K	up to £934 per 28 day period
		Period of Tier 2 lockdown in London				RV GT £15K and LT £51K	up to £1400 per 28 day period
4	Local Restrictions Support Grants (Closed) Addendum	5/11/20 - 2/12/20	2nd National Lockdown Grant	Funding to those businesses closed by statute on 2nd National Lockdown - to include non-essential retail, leisure, personal care, sports facilities and hospitality businesses	£5,845,518 To be topped up if necessary	RV LE £15K	£1334 per 28 day period
						RV GT £15K and LT £51K	£2000 per 28 day period
						RV GE £51K	£3000 per 28 day period
5	Additional Restrictions Grant	5/11/20 - 2/12/20 Amount paid can be spent up to 31/3/22	2nd National Lockdown Discretionary Grant	Discretionary Scheme to be decided by the Local Authorities	£7,734,200 £20 per head of population. No top up will be awarded.	<i>This is a discretionary scheme and can be used to provide businesses with cash support for either those more affected or those not qualifying on above schemes</i>	

3.3. Croydon's total share of the funding is £14,060,285 of which £8,214,767 is ring fenced as funding for the discretionary element of the business grant schemes.

3.4. All of the grants announced by government have been outlined above, in order to provide relevant information to enable an informed decision to be made regarding implementation of phase one for the Additional Restrictions Grant and the implementation of the Local Restrictions Grant (Open) as outlined below.

4 ADDITIONAL RESTRICTIONS GRANT (DISCRETIONARY)

4.1 Funding for the Additional Restrictions Grant (discretionary scheme) has been provided to councils to support businesses severely impacted by the

period of national restrictions commencing 5th November 2020 and for any further period of national or local tier 3 restrictions in 2020/21 and 2021/22. Croydon has received £7,734,200 (proposed phase one distribution of £3m).

- 4.2 Government has not specified the types of businesses councils should support through this scheme, but suggest that consideration could be given to businesses forced to close that are not ratepayers, businesses not forced to close but severely impacted by the restrictions and businesses that supply the retail, hospitality and leisure sectors. The Council has modelled the scheme on the needs of businesses as assessed through consultation.
- 4.3 Business grants through this scheme can be awarded to both ratepayers and non-ratepayers, provided they have been impacted by the restrictions.
- 4.4 Although it is not possible to support every business impacted by the restrictions, the scheme is aimed at supporting local businesses in Croydon that are either forced to close, or if able to continue trading, will be severely impacted by the lockdown.
- 4.5 Local councils have the freedom to determine the eligibility criteria for these grants. However, Government expect the funding to help those businesses which – while not legally forced to close – are nonetheless severely impacted by the restrictions.

This could include:

- businesses which supply the retail, hospitality, and leisure sectors
 - businesses in the events sector
 - business required to close but which do not pay business rates
- 4.6 It is proposed that the scheme will be delivered in two phases.
 - **Phase One – available December 2020:**
Distribution of £3,000,000 of the Additional Restrictions Grants.
Recomendations in this report are for phase one of this process.
 - **Phase Two – available February 2021:**
 - A new business Growth & Innovation Grant Fund. This will be a £250,000 grant fund that will be available from February 2021. The grants will help businesses purchase equipment or software that will help them innovate and develop their businesses, it will also support by increasing business resilience, and assisting in the recovery of the borough.
 - Business Support initiatives will be developed that provide direct support to businesses in the borough, (£250,000).
 - Creation of a new Evening & Night Time Grant (£500,000)

At the current time we are waiting for government to define the criteria of support that this fund can deliver, once this is received Croydon Council, in consultation with partners, will shape the criteria for the additional grants and support programme. **Once shaped we will take phase two to Cabinet in January 2021 for approval.**

4.7 A potential reserve of £3,734,200 is proposed to be kept and made available to support businesses during the financial year 2021/2022. The government have confirmed that there will be no additional funding made available for the Additional Restrictions Grant, despite the fact that further lockdowns may be imposed in the future. The government have confirmed that this funding must be spent by March 2022. The proposal for reserve funding will be recommended to Cabinet in January alongside the phase two proposals.

PHASE ONE

4.8 In order to ensure the grants are distributed to local needs the Croydon Business Taskforce and the Croydon Business Network has been consulted. Members include all business support and membership organisations – all recommendations are included in the grant criteria.

4.9 To be eligible for the Additional Restrictions Grant, businesses:

- Must have a registered or trading address in the London Borough of Croydon
- Must have been trading on the 4th November 2020.
- Must have seen a significant reduction in income (which can be evidenced)

Businesses not eligible include:

- Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
- Businesses who will exceed the de minimis state aid threshold if given the grant.

4.10 Priority Business Type

There is very limited funding available. Based on the government guidelines, while simultaneously exercising local discretion as per the parameters of the scheme, the proposed scheme for Croydon will give priority to those businesses that fall into the following categories:

- The substantive part of the business has been required to close by law due to the national restrictions in place from 5th November to 2nd December, and they do **not** hold a rating liability for National Non-Domestic Rates (Business Rates). If a business has changed their business models to continue operating in some way during the national restrictions (e.g. operating a click and collect or take away service) they will still be eligible if

the main part of the business has been required to close. Under this category the business must not have chosen to close, but have been required to close by law.

- Businesses who are in the supply chain for sectors or activities required to close by law or who are in the events sector; and the national restrictions have had a direct negative impact on the substantial part of their business leading to a loss of income. For example, wholesalers which supply restaurants/cafes/pubs, events businesses, photographers or conference businesses.

4.11 There will be a prioritisation of the grants to businesses in the following areas:

- Non essential Retail
- Hospitality and Leisure.
- Arts & Entertainment
- Work Space Providers

4.12 The proposed model is predominantly based on the fixed property costs (including rental or shared workspace desk costs) of those businesses applying. It is proposed that those businesses whose costs are less than £1,500 per calendar month receive a grant of £2,000; and those with costs above £1,500 receive a £5,000 grant. Workspace providers will be entitled to a £10,000 grant.

4.13 This is in addition to the other eligibility criteria, which includes a retraction in income of at least 20% as a result of the impact of COVID-19 on the business.

4.14 Homebased businesses will be eligible but will need to demonstrate that they make a minimum turnover of £15,000 per year – this is to ensure that the scheme supports businesses that are serving as a primary source of income.

4.15 Additional Restriction Grants Available

Croydon Council proposes to award grants based on fixed property costs as set out in the table below. This will enable us to maximise the number of businesses that are able to benefit from this grant scheme. This is in addition to a requirement that businesses applying for grants will have to demonstrate they have been directly impacted by the national restrictions in place from 5th November to 2nd December.

Category	Grant Awarded	Criteria
Fixed property cost <i>below</i> £1,500 per calendar month	£2,000	Eligible business with fixed property cost in Croydon <i>below</i> £1,500 pcm
Fixed property cost <i>above</i> £1,500 per	£5,000	Eligible business with fixed property cost in Croydon <i>above</i>

calendar month		£1,500 pcm
Workspace Providers	£10,000	Providing serviced office support to SMEs (whether open or closed)

4.16 Application Process

Businesses will apply for the fund through an online application process constructed by Croydon Digital Services. The application form has a series of triage questions which enables the Council to ensure businesses meet the criteria at an early stage and before they upload the required documentation.

Funding will be granted to the successful applicants on a first-come-first-served basis, amounts of grants will be ringfenced as the above table shows. This will be based on when applicants submit their applications (not when they commence the application process). Applications are time tracked on the system to enable the Council to deliver this in a systematic and transparent way.

4.17 We anticipate that demand will be high. However, in the unlikely event that funding remains after the first round, the Council may choose to reopen the fund and/or adapt the eligibility criteria.

In order for businesses to qualify for the grant, they must **provide evidence that they meet ALL of the following criteria:**

- You must be a small, micro or medium businesses and meet **two** of the following definitions:
 - annual turnover must be no more than £36 million
 - the balance sheet total must be no more than £18 million
 - the average number of employees must be no more than 250
- All types of organisations are eligible including but not limited to limited companies, community interest companies, limited liability partnerships.
- Sole traders and partnerships are also eligible to apply for support under the scheme if they meet all other eligibility criteria.
- This funding is to support businesses which have suffered a significant loss of income due to COVID-19 second lockdown. Your turnover must have been at least £15,000 per annum during 2019/20 tax year (pro-rata if a newly established business).
- The business must be the applicant's main source of income (particularly relevant to those self-employed/sole traders).

- The business must have been actively trading on 4th November 2020 (actively buying/selling goods or services).
- The business must have a trading/operating address in the London Borough of Croydon, and regularly operate in the London Borough of Croydon. You must not have received a grant from another local authority in relation to the premises you claim through this scheme.
- The business must be fully constituted. It must **not** be in administration, insolvent or have had a striking-off notice made, either when the national restrictions came into effect, at the point of application, or when the grant is due to be paid.
- The business must **not** have been able to continue to operate as usual during national restrictions.
- The business must **not** have reached the state aid de minimis threshold limit.

5 LOCAL SUPPORT RESTRICTION GRANT (OPEN)

5.1 In addition a further discretionary grant is also available, this grant, named the Local Support Restriction Grant (Open), supports businesses affected by the restrictions that were placed onto businesses when the economy entered the tier 2 phase. It is specifically aimed at the Leisure & Hospitality Industries. The government has suggested that the award levels are as highlighted below:

Rateable Value	Amount
£15,000 or Less	£ 934.00 per 28 day period
Greater than £15,000 and less than £51,000	£1,400.00 per 28 day period
£51,000 or above	£2,100.00 per 28 days

Whilst Government have named this a discretionary grant, guidance has already been published that clearly shows where government feel the funds should be targeted, which sectors should benefit and the amounts that they should get. This has set expectations from the business community. Following consultation with local leaders from the business community it was felt that the sectors shown were pertinent to Croydon and it has been decided that these funds should be distributed in accordance with government recommendations.

6 PHASE TWO (INFORMATION ONLY)

6.1 Addition Restrictions Grant (Discretionary)

6.2 As explained above, phase two will be the subject of a future report to Cabinet. It is proposed that Phase Two of the Additional Restrictions Grant will include:

- A new £250,000 Business Growth & Innovation Grant Fund
- A new £250,000 business support programme that provides additionality to the existing programmes available for Croydon businesses.
- A new £500,000 Evening & Night Time Grant Fund.

6.3 All schemes in phase two will be scoped in partnership through the members of the Croydon Business Network and the Croydon Business Taskforce (this includes all business improvements districts, Federation of Small Businesses and the Chamber of Commerce).

6.4 Phase Two of this scheme will be presented to cabinet in January 2021 for decision making and are only in this report to provide oversight and context.

6.5 The new grants will be available by 1st February 2021 subject to cabinet decision.-

7. OTHER FUNDING SCHEMES (INFORMATION ONLY)

Mandatory Funding – Local Restrictions Support Grant (Closed) Addendum & Local Restiricitons Support Grant (Sector) *Information on these grants are for noting only.*

7.1 The Local Restrictions Support Grant (closed) Addendum, is a business grant payable to businesses that have been mandated to closed by Government between 5th November and 2nd December 2020.

7.2 Business that have continued to trade ie provide carry out, or click and collect, are treated as closed as their substantive business is closed.

7.3 Buisness that are eligible for grant payment are non-essential retail, leisure, personal care, sports facilities and hospitality businesses.

7.4 In order to be eligible for a grant payment a business must appear on the Councils business rates system, they must be trading on 4th November 2020, not insolvent, or in administration, or subject to a striking-off notice.

7.5 Businesses must not have reached State Aid thresholds and the grant payments are subject to tax.

7.6 Value of Grant Awards

Rateable Value	Amount of Award
£15,000 or Less	£1,344 – per 28 day period

Greater than £15,000 and Less than £51,000	£2,000 – per 28 day period
£51,000 or above	£3,000 – per 28 day period

7.7 These grants will be paid over 3 phases:

- Phase 1 – we will identify eligible businesses and we will proactively make payment of the grants directly into business bank accounts. Business owners will be sent an email asking them to self declare receipt of the grant payment.
- Phase 2 – we will identify eligible businesses who we anticipate are eligible for a grant payment. We will proactively send these businesses a short form to complete and return to us, and then we will process the grant payment.
- Phase 3 – there may be businesses not known to us who may qualify for a grant payment, and these businesses will be asked to complete a full application form, once returned to us, their grant payment can be considered.

7.8 Certain business were forced to closed in March 2020 and who have not yet been able to re-open eg Nightclubs and dance halls. These businesses are eligible for the Local Restrictions Support Grants (Closed) Sector.

7.9 It should be noted that this grant only runs from 1st to 4th November 2020 as buisnesses fall under the Local Restrictions Support Grant (Closed) Addendum from 5th November 2020.

7.10 Like the administration of grant payments in 7.7 above these grants will be paid in 3 phases.

7.11 Value of Grants

Rateable Value	Amount of Award*
£15,000 or Less	£677 – per 14 day period
Greater than £15,000 and less than £51,000	£1,000 – per 14 day period
£51,000 or above	£1,500 – per 14 day period

* It should be noted that these awards will be pro-rata'd to 4 days as per 6.9 above.

8. CONSULTATION

8.1. Alternative options have been extensively considered. Regular consultation has been undertaken with key external stakeholders, notably London Councils, the South London Partnership and other local authorities. This scheme was also informed by significant engagement from the business community which included consultation from the Croydon Business Taskforce (a representative steering group of business membership groups that include the Federation of Small Businesses and the London Chamber of Commerce), the Croydon Business Network (a working group of business support organisations and business membership groups that deliver support businesses in Croydon to start, develop and grow).

9 PRE-DECISION SCRUTINY

- 9.1 This item has not been to a Scrutiny meeting for pre-decision debate due to the special urgency measures. However it is proposed that phase two will go to scrutiny and cabinet for decision. Phase One will be reviewed as part of that process.

10 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 10.1. The new discretionary grants fund that has been agreed by Government (£8,214,767) will support the recovery of our local businesses and maintain employment for residents which will have a positive impact on the Council's finances in the longer term.
- 10.2 It is to be noted that the mandatory business grant funding (not the subject of decisions within this report) has been agreed by Government £5,845,518 and this will support businesses who have been forced to close. It should be noted that further funding will be made available if businesses are asked to close beyond 2nd December 2020.
- 10.3 The resource cost of the delivery of the discretionary grants has been scoped in-house so no external costs will be incurred.
- 10.4 The Government have confirmed that New Burdens Funding will be available to Local Authorities in relation to all new grant schemes. The amount of funding we will receive is TBC.
- 10.5 Daily monitoring to ensure that grant applications awarded do not exceed grant funding will be in operation.
- 10.6 Weekly and monthly reporting will be completed and returned to government and HMRC.

11 The effect of the decision

Small and micro businesses, including sole traders, will receive financial support to help them to survive and lessen the impact of COVID-19 on their fixed property costs. This will sustain businesses and employment within the borough.

11.1 Risks

Spending against funding will be monitored daily to ensure grant funding is not exceeded, the grant process includes a two person authorisation process which reduces the risk of fraud. Local Authorities will also be required to report weekly on the BEIS fund and a future audit will be implemented (internally), BEIS will audit councils on an adhoc basis.

There is a reputational risk that despite Croydon Council's best intentions this fund does not match the amount needed to address the needs of Croydon's business community and some businesses who do match the criteria will not be able to have the grant as the demand exceeds the supply.

As part of the application process and in order to comply with State Aid rules, each applicant will need to confirm that they have not met or exceeded the de minimis state aid threshold. If they fail to confirm this, their application will not be successful and no funding will be provided.

12 Options

Alternative options were considered which included a sector specific approach. This was rejected as COVID 19 has impacted all sectors and the outcome of consultations shaped the proposed approach.

a. Future savings/efficiencies

The implementation of this grant will help to sustain Croydon's businesses which will in turn will sustain employment in the borough. This will help to support future savings and finances for the Council.

Approved by: Felicia Wright, Head of Finance

13. LEGAL CONSIDERATIONS

- 13.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that in response to the Coronavirus, COVID-19, the government announced there would be additional support for businesses that had been impacted by the 2nd lockdown and local lockdowns (using a grant under Section 31 of the Local Government Act 2003).
- 13.2 The Government has issued guidance for Local authorities in administering the Fund which sets out eligibility criteria and the governments recommended prioritisation of categories of business. This guidance should be followed when administering the funds.
- 13.3 Local authorities will be responsible for delivering grants to eligible businesses and whilst there is no specific statutory power to make these payments, guidance indicates that Councils are able to rely on the General Power of Competence in Section 1 of the Localism Act 2011 to undertake these payments.
- 13.4 The United Kingdom left the EU on 31 January 2020, nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU Commission. The local authority must be satisfied that all State aid requirements have been fully met and complied

with when making grant payments, including, where required, compliance with all relevant conditions of the EU State aid De-Minimis Regulation, the EU Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, the approved COVID-19 Temporary Framework for UK Authorities, and any relevant reporting requirements to the EU Commission.

Approved by: Sean Murphy interim Director of Law and Governance and Deputy Monitoring Officer.

14. HUMAN RESOURCES IMPACT

- 14.1 Delivery of the fund will require additional staffing redeployed to the Economic Development team. The Economic Development team's inbox will additionally experience high volumes of enquiries once the scheme is live and will require increased provision. If there is to be any recruitment of staff to cover the additional work, the Council's procedures on redeployment and recruitment will have to be followed, once the necessary approval to recruit to these posts has been agreed by the Spending Control Panel.

Approved by: Jennifer Sankar, Head of HR Place, for and on behalf of Sue Moorman, HR Director.

15. EQUALITIES IMPACT

- 15.1. There are no direct equality impacts arising from this report. However the consultation referenced in paragraph 7.1 above included representation across a broad spectrum of Croydon's SME business community including the local BAME business community.
- 15.2. The impact of the virus is far reaching. The combined and unprecedented impact on the local economy, both on businesses and the workforce, will exacerbate inequalities, where some parts of our communities are disproportionately impacted for the short, medium and long term. The Council has been acutely aware of the disproportionate impact that the virus and lock down can have on particular demographics, such as older residents and those with pre-existing health conditions.
- 15.3 Supporting businesses and sustaining jobs will assist in reducing economic inequality across the borough.
- 15.4 The Council will ensure the process for applying and allocating grants is accessible, fair, equitable and transparent

Approved by: Yvonne Okiyo, Equalities Manager

16. ENVIRONMENTAL IMPACT

16.1 There are no direct environmental considerations arising from this report.

17. CRIME AND DISORDER REDUCTION IMPACT

17.1 The new Croydon Discretionary Grant Fund will support businesses and sustain jobs preventing future issues through key principles of economic development.

18. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

18.1 These are additional funds to the grants that have been announced by government, it is aimed at businesses who have been directly impacted by the shut down of the economy, and which have relatively high ongoing, fixed property-related costs, and that can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis.

18.2 The proposed model is predominantly based on the fixed property costs (including rental or shared workspace desk costs) of those businesses applying. It is proposed that those businesses whose costs are less than £1500 per calendar month receive a grant of £2000; and those with costs above £1000 receive a £5000 grant. Workspace providers would receive a £10,000 grant.

18.3 The criteria of this fund was developed to support as many businesses as possible impacted by COVID 19 and save jobs for Croydon residents.

19. OPTIONS CONSIDERED AND REJECTED

19.1 Alternative options considered include a scheme with a sector specific approach. Alternative options have been extensively considered. Regular consultation has been undertaken with key partners, notably London Councils, the South London Partnership and other local authorities. The criteria and implementation proposals are recommended in order to comply with government guidance and as a result of the outcome of consultations.

20. DATA PROTECTION IMPLICATIONS

20.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

No, it will be business data that is processed however this will include sensitive financial evidence and banking details, as well as potential sole trader details (which may be classed as personal data). Therefore a process that conforms to GDPR and the processing of sensitive data has been implemented.

20.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

A DPIA was completed for the last discretionary fund, all handling of data remains the same and the DPIA will be updated accordingly.

Approved By Stephen Tate, Director of Growth, Regeneration and Employment