

**Additional Restrictions Grant and Top Up Payment**

<b>Final Decision-Maker</b>	Economic, Regeneration and Leisure Committee
<b>Lead Head of Service</b>	John Foster, Head of Regeneration and Place
<b>Lead Officer and Report Author</b>	Rachael Bennett, Economic Development Officer
<b>Classification</b>	Public
<b>Wards affected</b>	All

**Executive Summary**

To update the Committee on the performance of the Maidstone Business Boost programme which includes the spend of the Additional Restrictions Grant (ARG) allocated to the council initially in July 2021 with a further allocation in December, specifically for businesses affected by the Omicron Covid variant.

**Purpose of Report**

Noting

**This report makes the following recommendations to this Committee:**

1. To note the completion of the spend of the ARG Grant.
2. To note the success to date and the legacy of the Maidstone Business Boost support programme.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Economic, Regeneration and Leisure Committee	19 April 2022

# Additional Restrictions Grant and Top Up Payment

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> <li>• Embracing Growth and Enabling Infrastructure</li> <li>• Safe, Clean and Green</li> <li>• Homes and Communities</li> <li>• A Thriving Place</li> </ul> <p>The activity set out in the report has aided the council's ability to achieve the objective of A Thriving Place.</p>	Head of Regeneration and Economic Development
<b>Cross Cutting Objectives</b>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> <li>• Heritage is Respected</li> <li>• Health Inequalities are Addressed and Reduced</li> <li>• Deprivation and Social Mobility is Improved</li> <li>• Biodiversity and Environmental Sustainability is respected</li> </ul> <p>The activity set out in the report supports the achievement of the Deprivation and Social Mobility cross cutting objectives by supporting local businesses and jobs.</p>	Head of Regeneration and Economic Development
<b>Risk Management</b>	Refer to section 5 of the report.	Head of Regeneration and Economic Development
<b>Financial</b>	£1,355,082 Additional Restrictions Grant (ARG) funding was provided by government in July 2021 for the purpose of discretionary business grants. An additional allocation of £338,941 was made in December 2021 to support businesses affected directly by the Omicron variant of Covid. All funding was	Director of Finance and Business Improvement

	spent by 31 March 2022. It has been confirmed that additional resource can be funded by the new burdens funding allocated by government to cover additional expenses incurred by the council in relation to the administration of the grant scheme.	
<b>Staffing</b>	The new burdens funding referred to above enabled the recruitment of 2 additional members of staff on fixed term contracts, the continuation of 1 member of staff employed to administer earlier ARG rounds and an Agency, which has provided the necessary support to the team to enable the project to be managed effectively.	Head of Regeneration and Economic Development
<b>Legal</b>	Payment of grant by Government to a Local Authority is established under s31 of the Local Government Act 2003. This also enables control over the amount and manner of payments. Criteria are set out within Additional Restrictions Grant Guidance for Local Authorities updated 20/01/22.	Corporate Governance Team Leader
<b>Privacy and Data Protection</b>	With consent businesses that have been contacted through the Maidstone Business Boost scheme have been added to the database managed by The Economic Development Team. This will increase the volume of data held by the Council and has been reflected in our internal documentation. We will hold that data in line with our retention schedules.	Policy and Information Team
<b>Equalities</b>	No impact identified	Equalities & Communities Officer
<b>Public Health</b>	The activity set out in the report will not negatively impact on population health or that of individuals.	Head of Regeneration and Economic Development
<b>Crime and Disorder</b>	The activity set out in the report will not negatively impact on Crime and Disorder.	Head of Regeneration and

		Economic Development
<b>Procurement</b>	No impact identified	Head of Regeneration and Economic Development
<b>Biodiversity and Climate Change</b>	The implications of this report on biodiversity and climate change have been considered and it is noted that business development/growth may impact on increased energy consumption and increased emissions from additional transportation. Future business development should be aligned with the Kent and Medway Energy and Low Emissions Strategy and seek low carbon transportation options and alternative energy solutions. It should also be noted that part of the work of the Maidstone Business Boost scheme is to help promote support available to businesses to reduce and be conscious of their carbon footprint.	Biodiversity & Climate Change Manager

## 2. INTRODUCTION AND BACKGROUND

- 2.1 Following on from the update given at ERL in February 2022 on the performance of the Maidstone Business Boost scheme and spend of the Additional Restrictions Grant (ARG) it has been requested that a final report be brought back to committee. All ARG payments to eligible businesses must be made by the end of March 2022. Any spend not made would be returned to government.
- 2.2 In September 2021 ERL committee approved the Additional Restrictions Grant policy which included recruitment of additional staff on temporary contracts to improve business engagement. The 'Maidstone Business Boost' team offers wider business support and advice on available grant funding, in addition to assessing businesses affected by Coronavirus and confirming ARG awards. On the 21<sup>st</sup> December 2021 The Government announced a further ARG allocation of £339k. This fund was intended to enhance support to those businesses severely impacted by the Coronavirus restrictions due to the rise of the Omicron Variant. The 31<sup>st</sup> March 2022 spend deadline applied to both the initial and further funding allocations therefore the top up was delivered under the Council's existing approved ARG Policy.

2.3 The policy states that to be considered for ARG funding, businesses based in the Maidstone Borough, severely impacted by coronavirus restrictions, need to fall into one of the following categories:

Category A – Diversification & Growth of Maidstone based businesses

Category B – Strategic importance

Category C – Resilience Fund – Targeted at hospitality and leisure businesses who have been significantly impacted by the pandemic.

2.4 The Maidstone Business Boost (MBB) scheme was expected to:

- Deliver all ARG funds by 31<sup>st</sup> March 2022
- Manage the expectations of receiving additional funding correctly.
- Engage new businesses through proactively approaching.
- Increase the awareness of support (financial & non-financial).
- Improve the take up of support (financial & non-financial).
- Enhance the Database for future communications.
- Leverage the 'Value' of MBC support.
- Achieve maximum impact from the available funding for the benefit of the local economy.

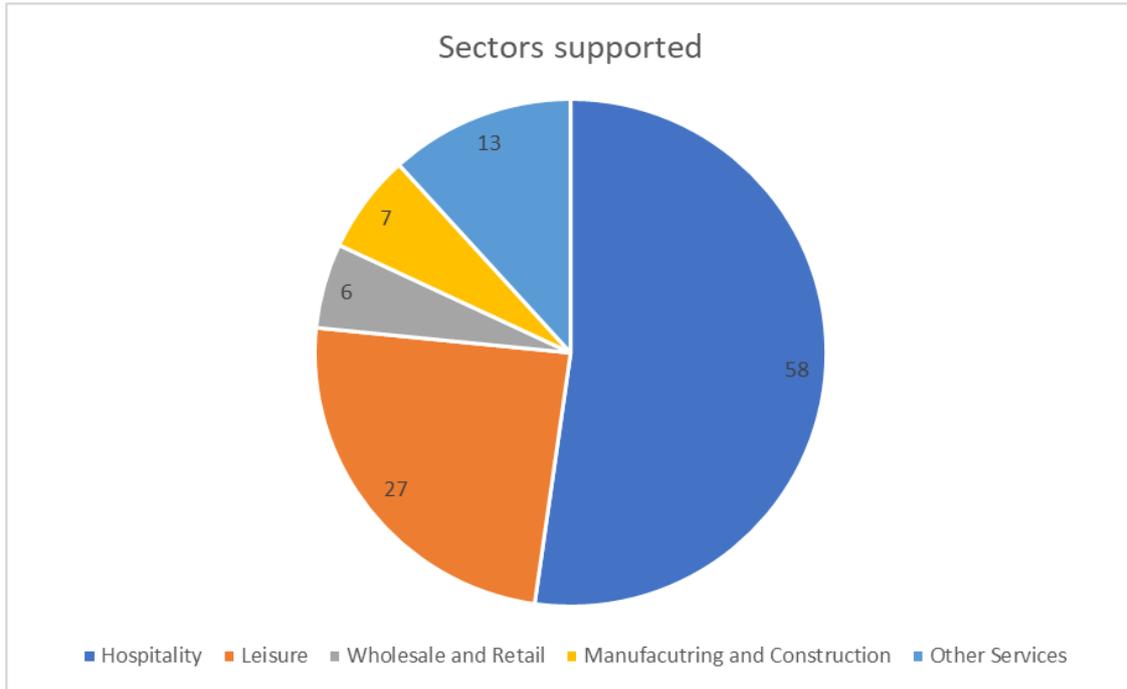
2.5 Conclusion

2.5.1 Delivery of Additional Restrictions Grant

All funds were allocated and paid by 16<sup>th</sup> March 2022, ahead of the 31<sup>st</sup> March deadline. In total 112 awards were made. The awards were given based on costs incurred but that were unable to be met by the business. This loss had to be attributable to the impacts of covid.

Over half the awards made were to the hospitality sector, with the leisure industry receiving 27 awards which aligned to the BEIS guidance issued.

<b>MBB Performance Summary – 21/03/22</b>		Total Funding Allocation	<b>£1,694,023</b>
% Funds awarded	<b>100%</b>	Total Awards made	<b>£1,694,023</b>
% Time elapsed	<b>95%</b>	Payments pending	<b>£0</b>
On track?	<b>Yes</b>	Funding remaining	<b>£0</b>



2.5.2 Management of fund & expectations

The MBB/ARG scheme has received one appeal which was declined.

2.5.3 Engage new businesses, increase awareness, & improve take up of support

The precursor to an ARG award being made was an initial assessment. Delivering the initial assessments enabled the team to capture and signpost businesses that hadn't necessarily been loss making or that didn't fit into the policy criteria to other forms of support available. 288 diagnostics were completed during the 5 months.

Scheme	Overview	Businesses Referred	Successful Applicants	Awards	Match funding
WSX	Marketing training courses, mentoring & grant funding	185	54	£22,000	-
SEBB	Grant funding or Support	79	8	£48,600	£113,000
MGP	Mentor support & grant funding	18	11	£36,000	£108,000
LoCASE	Grant funding or support	62	4	£56,700	£116,800

C-CARE	1-2-1 Support & grant	90	24	£24,000	-
<b>TOTALS</b>				<b>£187,300</b>	<b>£337,800</b>

Data provided as of 21<sup>st</sup> March 2022 from organisations delivering the support.  
'-' represents unknown data or data not provided.

The table above gives the main additional support providers, others do exist and have had businesses referred to them. Successful Applicants does not include businesses 'in process' so we do expect these figures to increase.

SEBB (South East Business Boost) has reported outputs of 12 Jobs and 6 new to firm products or services. Anecdotal feedback given has stated that the ARG awards made have also secured jobs and allowed businesses to invest in diversification which supports their long-term sustainability.

The proactive engagement has developed positive relationships with new businesses who are now active supporters of how the council has helped them. We are utilising this support by showcasing their stories on social media to continue to develop our reach to the wider Maidstone business community.

#### 2.5.4 Enhanced database for future communications

The business database now stands at a cleansed nearly 4,000. This is a 15% increase since November. Additionally, our social media engagement has increased 16% over the same time period, with an average of 9,000 monthly engagements since MBB began. We now have a strong reach to local businesses enabling us to communicate messages more effectively. The last newsletter received a click through rate of 32.5%

#### 2.5.5 Leveraging Value & achieving impact for the local economy

The programme has developed relationships with key sites in the Town Centre, Lockmeadow, Fremlin Walk, The Mall and Royal Star Arcade. It has highlighted the support available to businesses and the various ways the council can help and awarded independent start-ups moving to the borough.

The programme has generated opportunities between businesses to support each other, most notably the move by West Tree Boxing Club to the YMCA which otherwise would have had to close.

Follow-up calls are being made to businesses that received the initial diagnostic assessment. This has provided anecdotal feedback that the scheme has secured jobs and companies futures. Examples of new equipment being purchased, and new job creation.

The awards have made a significant difference to the recipients, noted by the letters and phone calls of thanks the team received.

## 2.6 Next steps

The contract for the temporary staff has now ended and all three have secured new roles, one of which has stayed within MBC.

Going forward MBB will continue to be the point of contact for businesses, with a monitored e-mail address, and we will continue to build the brand via our newsletter and social media platforms.

Any requirement for 1-2-1 support will be covered by our Business Advisor. This 3-year tender was recently secured by Let's Do Business Group.

To continue the momentum and promotion of Maidstone Business Boost we are working with support providers to run post-covid recovery workshops to promote the support that continues to be available.

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## 3 AVAILABLE OPTIONS

3.1 The report is for noting.

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## 4. RISK

4.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

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## 5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 In September 2021 ERL Committee resolved that the Additional Restrictions Grant Top Up Policy be approved, and a report brought back to the Committee in 6 months for review.

5.2 In February 2022 ERL Committee received an update on performance of the scheme for noting.

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## 6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 MBB@maidstone.gov.uk will continue to be the inbound contact point referenced for all communications made to the Maidstone Business Community

6.2 The Economic Development Team will use success stories from local businesses to showcase the work Maidstone Business Boost has delivered and helped to unlock. Demonstrating the value, and training and grants

available, illustrating accessibility to further increase investment in the local economy.

6.3 MBB will launch a programme of workshops to run in conjunction with grant and training schemes to continue post-Covid recovery support for businesses.

6.4 MBB will continue to offer individual business support by the contracted Advisor.

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## 7. **REPORT APPENDICES**

None

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## 8. **BACKGROUND PAPERS**

None