

**Stockton-on-Tees Borough Council
Place Select Committee
Monday 21st September 2020**

Scrutiny Review of Business Support and Engagement

Overview of the Council's business support and engagement during the Covid-19 pandemic

1. Introduction

The Council was one of the organisations that many businesses contacted about the business support available during the Covid-19 lockdown period. This was primarily in relation to the three business grant schemes and the business rates reliefs administered by the Council, but also for guidance on the other business support measures available and the closing and re-opening of businesses.

The Business & Enterprise Team worked to ensure that local businesses were aware of the package of business support measures that were available in response to coronavirus lockdown. With new measures being introduced and eligibility criteria for the support packages changing, they had to keep up to date with the latest information. The Business & Enterprise team worked jointly with Business Rates to get as many of these grants paid to businesses as quickly as possible. The team handled most of the calls and emails about the grants, enabling the business rates team to focus on processing the applications and paying the grants.

2. Financial Support

Grants

Three business grants were administered by the Council: -

- Retail, Hospitality & Leisure (RHL) business grant: This scheme provided businesses in the retail, hospitality and leisure sectors with a cash grant per property. Businesses in these sectors with a rateable value of under £15,000 received a grant of £10,000, whilst those businesses a rateable value of between £15,001 and £51,000 received a grant of £25,000. Properties that benefited from the grant were occupied and wholly or mainly being used:
 - as shops, restaurants, cafes, drinking establishments, cinemas and live music venues
 - for assembly and leisure
 - as hotels, guest and boarding premises and self-catering accommodation
- Small business grant: This scheme provided support to small businesses that already pay little or no business rates because of small business rate relief (SBBR) and rural rate relief (RRR). It provided a one-off grant of £10,000 to eligible businesses to help meet their ongoing business costs.
- Local Authority Discretionary Grants Fund: Additional funding was made available for some small businesses with ongoing fixed property-related costs who had been significantly impacted by Covid-19 but were not eligible for the Small Business Grant Fund or the Retail, Hospitality and Leisure Grant. A local scheme was developed in accordance with the government guidance and delivered over three phases with the first phase opening to applications on 2nd June.

All three grant schemes are now closed. The deadline for phase 3 of the discretionary grant scheme was 2nd August and the Small business and RHL business grant schemes closed on the date set by the government which was 28th August.

A total of 2,811 grants with a value of £31,937,000 were given out to business across all three schemes. This includes: -

- Small Business Grant: 2,089 businesses have received grants totalling £20,890,000
- Retail, Leisure & Hospitality Grant: 512 businesses have received grants totalling £9,605,000
- Local Authority Discretionary Grants: 210 businesses have received grants totalling £1,442,000.

Business Rates Relief

Other financial support administered by the Council was in the form of additional business rates relief. This includes: -

- a business rates holiday for all retail, hospitality and leisure businesses for the 2020/21 tax year, there is no rateable value limit on the relief. Properties that benefit from the relief are occupied hereditaments that are wholly or mainly being used:
 - as shops, restaurants, cafes, drinking establishments, cinemas and live music venues
 - for assembly and leisure
 - as hotels, guest & boarding premises and self-catering accommodationThe businesses that meet the criteria were identified through the business rates list and bills have been re-issued showing there is nothing to pay for 2020/21 financial year.
- Support for nursery businesses through a new 100% discount for nurseries for the 2020/2021 financial year. Properties that benefit from the relief are hereditaments:
 - occupied by providers on Ofsted's Early Years Register
 - wholly or mainly used for the provision of the Early Years Foundation Stage.Businesses that meet the criteria for the nursery discount were identified from the business rates list and bills have been re-issued showing there is nothing to pay for the 2020/21 financial year.

3. Business Support Guidance & Advice

Most of the work the Business & Enterprise team had done previously was helping start-up and growing businesses, but from the beginning of the lockdown the team had to adapt to working solely with businesses that were just trying to find ways to survive. The team provided guidance on the eligibility for the grants and support with submitting grant applications. They also helped ensure people were aware of the information on the other business support measures on the Gov.UK website and guide them to the most relevant support for their business. The team therefore had to familiarise themselves with those schemes and keep up to date as and when the criteria changed and additional measures were introduced. Enquiries were also received about which businesses had to close and which business were allowed to re-open at the different stages as restrictions were eased, these were either referred to the Council's environmental health team or responded to direct with the advice from that team.

All businesses were impacted by the situation in some way, so calls and emails were from all types and sizes of business including the self-employed working from home, hairdressing salons, restaurants, nurseries and children's play centre, construction businesses or food and drink manufacturers. Many people found themselves struggling financially, still having to pay rent for their premises and other business bills despite having to close their business. People appreciated having someone to talk to and the team were able to guide them to the information on the relevant support for their business. One business commented "Got to say

SBC have been incredibly supportive for our business throughout this time – thank you very much!”

An example of a business that received support: The owner of a hairdressers in Eaglescliffe contacted the Business & Enterprise team early in April about a credit on her business rates account and her application for a coronavirus small business grant. The B&E Team liaised with colleagues in the business rates team and were able to reassure her that both things were being dealt with and that we would keep her updated on progress. An issue was identified with the grant application and further information was sent by the owner. Within a week we were able to confirm that the refund of the credit on her business rates account had been paid and that the issue with the grant had been resolved. The amount of the grant was confirmed for the owner and we said we would keep an eye on the daily grant payments list for her payment. Five days later we were able to advise the owner that the grant had been paid. The owner commented ‘Fantastic news and thank you. I can’t stress enough how grateful I am for your continued support and keeping me informed. You are a credit to SBC’. About a month later the owner contacted the team again and we were able to offer further guidance on other coronavirus business support available.

Although all the businesses thought to be eligible for the small business and RHL grants were written to early on, it became apparent that some had closed and left their business premises before the letters had arrived. The grant schemes were promoted through the media, including the Council’s social media channels and web site, but after a few weeks there was still a number of potentially eligible business that had not come forward for the grants. The B&E and Business Rates teams worked to find other contact details for those businesses and then proactively contacted them to make sure as many as possible had the opportunity to claim the grants.

In total from the beginning of the lockdown to early July the team handled nearly 2,500 phone calls and responded to over 1,200 emails. The first few weeks at the beginning of April were the busiest, in one week the team handled nearly 600 calls. Although this contact with so many businesses was driven by the extreme circumstances brought on by the pandemic, it does mean that a much wider range of businesses are now aware of the team and the help they can provide.

When the volume of calls and emails started to reduce and some lockdown restrictions eased, it became possible for the team to proactively re-connect with a wider range of businesses, particularly those that we had some contact with prior to the virus. This enabled us to ascertain if they had been able to access any of the coronavirus business support measures available, how well the business had managed through the lockdown period, what plans they had in place for recovery and if they needed any additional support. In addition, contact has been re-established with some of the young people previously supported through enterprise programmes.