



## RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** held on **Wednesday 13 January 2021**. The decisions will come into force and may be implemented from **Monday 25 January 2021** unless the Corporate Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

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### **Grant Support for Business Recovery**

#### **Summary**

The Cabinet considered a joint report of the Corporate Director of Regeneration, Economy and Growth and the Interim Corporate Director of Resources which sought approval for a package of measures to support County Durham businesses to recover from the impact of COVID-19 in order to safeguard jobs and facilitate economic recovery.

Whilst the Government's extension to April 2021 of the package of measures to support jobs is welcome, businesses in the County require additional support to be able to implement plans to adapt and recover from the impact of COVID-19. The report proposed the introduction of a £5 million Business Recovery Grant Scheme, open to businesses located in the County in all sectors, in order to provide financial support for the implementation of business recovery plans. This sum may be funded from a combination of the Council's own General Fund resources and from an allocation from the Additional Restrictions Support Grant (ARG). The grants are not intended to provide crisis funding, general working capital or subsidise losses, as this is the role of the Government-backed support and loan schemes, and the local restrictions support grants. The Durham Business Recovery Grants will be aimed at businesses that have a credible plan to adapt and recover but require additional financial support to be able to implement it. The scheme has been carefully positioned in order that it meets identified gaps in support and does not duplicate existing grant schemes. Also that the scheme is flexible enough to offer appropriate support to all sectors and sizes of business in the County, from self-employed and micro businesses through to companies employing up to 250 people in the County.

The scheme will offer grants of £1,000, up to a maximum grant of £40,000 and the grant intervention rate for each project will be 75%, meaning that the business will be expected to pay for a quarter of the cost. It is estimated that a £5 million budget would enable at least 880 businesses to be supported and could help to safeguard over 1760 jobs.

## **Decision**

The Cabinet:

- (a) agreed to establish a Business Recovery Grant Scheme;
- (b) agreed to provide a budget of £5 million for the scheme and note that £3 million will be made available from the General Fund alongside a £2 million contribution from the Additional Restrictions Support Grant;
- (c) authorised the Corporate Director of Regeneration, Economy and Growth, in consultation with the Corporate Director of Resources and the Portfolio Holder for Economic Regeneration, to agree the detailed administration arrangements for the scheme;
- (d) delegated authority to the Corporate Director of Regeneration, Economy and Growth to approve the individual business grant offers made in accordance with the scheme;
- (e) noted the additional support being provided to micro businesses through the Durham Business Opportunities Programme;
- (f) noted that there may be a need to consider additional grant support for start-up businesses and receive a separate report on this in due course.

## **Bishop Auckland Town Fund: Submission Approval**

### **Summary**

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth which identified the timescale for the submission of the Bishop Auckland Town Fund application and requested that the Council's approval is facilitated via a delegated authority arrangement.

In 2019 Government announced that Bishop Auckland had been selected as a town that could benefit from significant funds as part of the national Towns Fund. The Towns Fund Prospectus published in November 2019 identified that £3.6 billion had been made available to 'unleash' the full economic potential of 101 towns across the country. Towns will be able to bid for up to £25 million in each place, and in exceptional circumstances may bid up to £50 million. Durham County Council is Lead Council and as such appointed a Town Board in February 2020.

The Board has been working since March to develop proposals for investment to include in a bid submission that must be made to Government by the end of January 2021. COVID-19 has significantly impacted on the timescale for this national initiative and detailed guidance publication was delayed until June this year.

The Council is required to undertake the role of the accountable body to the Town Board and in relation to the use of any Towns Fund resources accessed by the Board.

The process requires that:

- (a) the Town Investment Plan submission is approved by both the lead Council and the Town Board and submitted before the end of January;
- (b) the Submission complies with the detailed requirements in the Town Fund Guidance of June 2020;
- (c) the Town Board has robust and appropriate Governance arrangements in place;
- (d) following approval by Government a Heads of Terms is agreed to be signed off by the Government, DCC and the Town Board Chair.

## **Decision**

The Cabinet agreed to delegate authority to the Corporate Directors for Regeneration, Economy and Growth and Resources in consultation with the Leader, Deputy Leader and Portfolio Holder for Economic Regeneration to agree the final Bishop Auckland Town Fund submission.

Helen Lynch  
Head of Legal & Democratic Services  
15 January 2021