

Cabinet Member Decision Note

COVID-19 Recovery – Local Restrictions Support Grants (Discretionary Scheme for Taxi Driver Sole Traders)

To: The Leader of Council

Date: 16th February 2021

Author: Chief Executive

Wards: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 This report seeks the Leader of Council's authorisation for the creation of a specific grant scheme for Taxi Driver Sole Traders, within the criteria set by the Government funding for Coronavirus Business Additional Restrictions Grants and if businesses are found eligible, then to award those grants.
- 1.2 In response to COVID-19, the Government has provided on-going support for businesses that have been severely affected by the Local and National Tier Restrictions since March 2020. This support is aimed at businesses which provide in-person, direct support and those most affected by the current restrictions.
- 1.3 This Cabinet Member Decision Notice aims to affirm that the Council will administer these grants as requested by the Government; agree the general principles of the grant schemes both as instructed by the Government and where some local discretion is permitted for the benefit of the affected businesses and the wider economy.

2. Recommended Action to be Authorised by a Cabinet Member Under Delegated Powers

- 2.1 Authorise the Corporate Director of Finance and Assets to:
 - 2.1.1 Adopt and publicise the Swindon Taxi Driver Sole Trader scheme as set out in the Detail of this report.
 - 2.1.2 Assess applications against the eligibility criteria and where discretion is allowed, to determine the amount of grant awarded to each applicant based on the criteria to ensure that the total paid by the Council does not exceed the total grant allocated by the Government.
 - 2.1.3 Pay the grants up to the amount awarded by the Government.

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3. Detail

- 3.1 As part of the Coronavirus Business Grant schemes, the Government provided Local Authorities with funding for Additional Restrictions Grants (ARG), with some local discretion to set the types of businesses, which are eligible within the general scope of businesses that have been most severely affected by the current restrictions; the criteria used to assess applications; and the grant payment amounts.
- 3.2 Swindon Borough Council is currently administering its second set of Additional Restrictions Grants and the general scheme was approved previously. This Taxi Driver Sole Trader Grant fund is new and will sit within the wider Additional Restrictions Grant.
- 3.3 Several other Local Authorities have introduced specific Additional Restrictions Grant schemes for Taxi Driver Sole Traders, and whilst grant levels vary significantly, the grant level suggested is broadly comparable most other area's schemes.
- 3.4 Local councils have the freedom to determine the eligibility criteria for these grants. However, the guidance sets out that the Government expects the funding to help those businesses that are severely affected by the restrictions.
- 3.5 There are some mandatory criteria that apply to the grants, including businesses being solvent, grants being subject to tax, and for Local Authorities guidance around managing the risk of fraud, pre and post-event assurance, monitoring and evaluation requirements and State Aid conditions.

The Swindon Taxi Driver Sole Trader Scheme

- 3.6 Officers are seeking the Leader's approval of the following principles and criteria to govern the administration of a Swindon specific scheme in accordance with the guidelines set out above:
 - 3.6.1 The grant is for Taxi Driver Sole Traders who are licensed by Swindon Council to operate in Swindon both with hackney and private licenses:
 - 3.6.2 To be eligible for a payment of £500 for the period from December 2nd to December 30th drivers must hold a Taxi License with Swindon Borough Council valid on the 1 December 2020

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- 3.6.3 To be eligible for payment of £500 for 42 day period from January 6th (in line with other grant periods) drivers must hold a Taxi License with Swindon Borough Council valid on the 5 January 2021
- 3.6.4 The Government guidance requires applicants to be trading immediately before the grant period. As taxi licences are potentially for a period of up to 3 years, holding one doesn't necessarily provide sufficient evidence that the holder has been recently trading. Therefore, applicants will also need to submit either insurance documents or evidence of hiring taxi radio equipment which will need to be valid as at 1 December 2020 and 5 January 2021 for each of the 2 grant periods.
- 3.6.5 Taxi drivers will only be eligible for this grant. If applicants have already received previous ARG grant, they will not be eligible for grant under the Taxi Driver Sole Trader Scheme.

Timescales

- 3.7 Due to the large backlog of existing applications which are not expected to be cleared for a minimum of 3 weeks, officers are proposing an application window for these grants to 6th March, which will enable the current backlog to be processed. This enables the Licensing Team time to contact the Taxi Drivers with instructions and plenty of time to apply. Applications will then be reviewed after the window has closed with a view to making payments as quickly as possible, but this is still likely to take a number of weeks after the 6th to process depending on take up. Officers are looking to recruit further temporary staff to increase the speed of processing but this does take time to set up IT and train properly.

4. Alternative Options

- 4.1 The Council could choose not to administer these grants, although this would be extremely detrimental to the local economy and the Council's reputation.

5. Consultation

- 5.1 The following Opposition and Minority Group Spokespersons / Ward Members have been consulted on the recommendations of the report and their responses are also summarised below:

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Councillor Pajak - Happy to support the recommendation as long as suitability for the discretionary grant is able to be carried out.

Councillor Crilly – Yes I fully support a discretionary Coronavirus business grant for Taxi Driver Sole Traders. Please can you let me know when this will be available for applicants.

Councillor Ali – I am happy to support this decision.

Councillor Donachie – Julia I have read the report and I do not object to the principle.

However I am concerned about two areas: The opportunity for fraud, although the report speaks to mitigation which I accept the opportunity for abuse is fairly stark.

And of more importance, this raises a fair question amongst the business community of “why them and not us” in regards to perceived preferential treatment which I would personally like to see the report address.

6. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

The Government has provided Swindon Borough Council with a grant award of £4.7m relating to Additional Restrictions Grant which can be spent up to March 2022. Of this, £1.8m had been paid out on the previous scheme. As there are around 1,100 private hire and Hackney licence holders, this proposal could result in further payments of up to £1.1m.

Legal and Human Rights Implications

- 6.1 Government guidance states that the Council has power to grant the payment pursuant to s1 of the Localism Act 2000. The Guidance provides some mandatory criteria but provides discretion to the Local Authority to assess applications.
- 6.2 Any exercise of the powers and the discretion within the scheme will be exercised reasonably and with regard to the purpose of the grants, which is for government, utilising local authority local knowledge and networks to determine which business to support. Prior to any grant, each business will be expected to ensure that it complies

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with any State Aid requirements as detailed in the guidance. The guidance requires that the council operate pre and post payment processes to prevent fraudulent claims.

Climate Change Impact

- 6.3 The proposals would not bring a change in the service delivery and Officers believe that there is no expected effect on the Council's carbon footprint

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 6.4 This will help businesses through a very difficult time and no major impacts have been identified.

Diversity Impact Assessment

- 6.5 No adverse Diversity Impact Assessment has been undertaken.

Risk Management

- 6.6 Resources will be deployed to check that the applications are genuine and that grant payment is made to the correct recipient. This may involve further checks on a business if required and full liaison with Internal Audit.
- 6.7 Post payment, the government Grants Management Function and Counter Fraud Function will support local authorities to carry out post-event assurance work to identify high risk payments. The Council's Internal Audit team are also involved with designing and administering the scheme.
- 6.8 If the Council granted reliefs more than the amounts that Central Government will recompense, there would be an additional burden on Council Taxpayers but reviewing the grant awards once applications are received will prevent this.

7. Consultees

- 7.1 The Corporate Director of Finance and Assets (s151 officer) and Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

8. Background Papers

- 8.1 None

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9. Appendices

9.1 None

10. Declarations of Interest

Opposition and Minority Group Spokespersons / Ward Members

10.1 Opposition spokespersons / Ward Members are reminded to consider whether they have any known interests in any of the matters referred to in this Decision Note. If such an interest exists this should be declared to the Monitoring Officer (or Senior Committee Clerk), and they should take no part in the consideration of the Decision Note and should refer the Decision Note to their Group Leader.

Cabinet Member(s)

10.2 Cabinet Members are reminded to consider whether they have any known interests in any of the matters referred to in this Decision Note. If such an interest exists this should be declared to the Monitoring Officer (or Senior Committee Clerk), and they should take no part in the consideration of the Decision Note and should refer the Decision Note to the Leader of the Council instead for consideration.

11. Sign-off

11.1 The Cabinet Member is requested to respond with 5 days of the date of this report (by 21st February 2021).

11.2 Decisions of Cabinet Members will be published in the Members' Bulletin. The Decision must not be implemented until such time that a five-day "Call-in" period has expired. This date will be specified in the Members Bulletin. If a Decision is "called-in" it will be referred to the Scrutiny Committee for consideration. It must only be implemented if the Scrutiny Committee has raised no objection. If an objection is forthcoming the matter will be referred back to the Decision-Maker.

11.3 The Cabinet Member is requested to indicate one of the following responses to the Recommendations set out in Section 2 of this report.

[To be signed electronically and redacted for publication.]

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