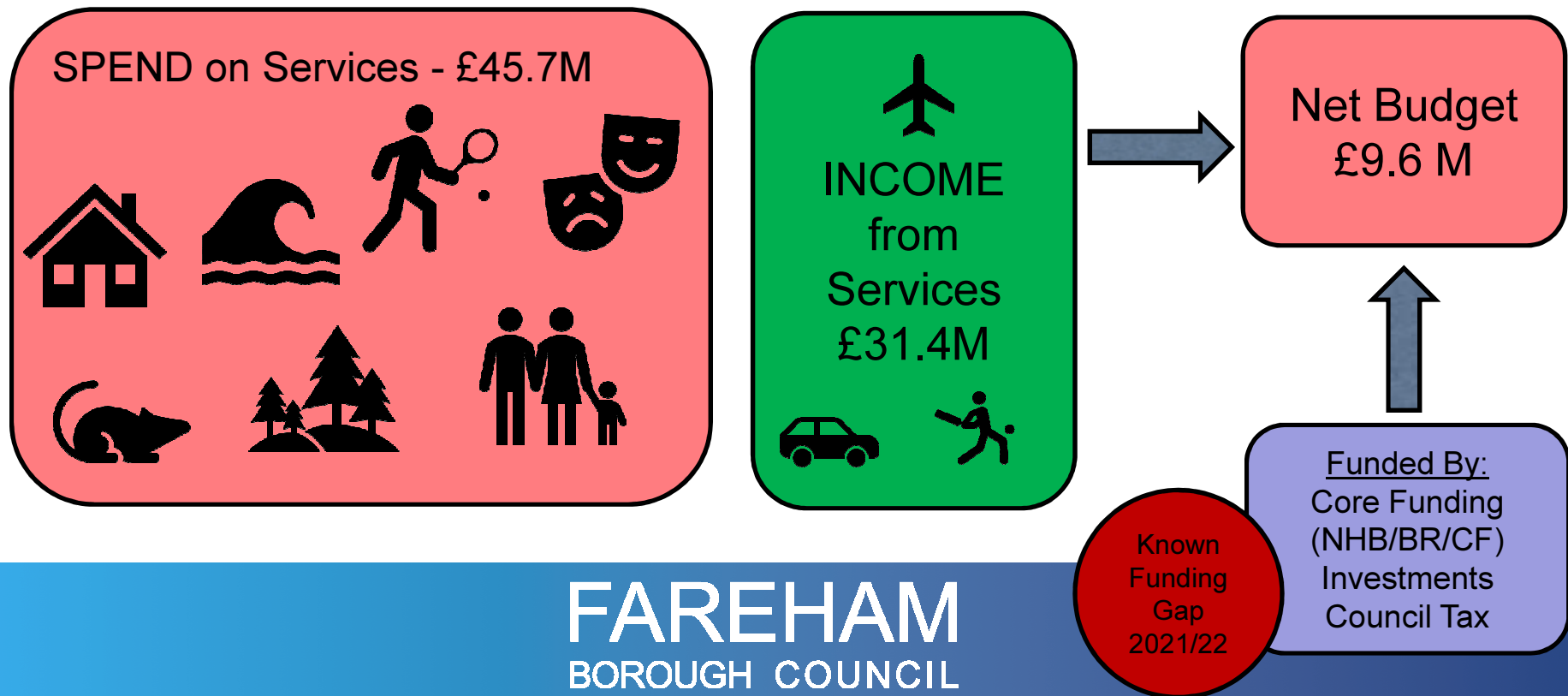


COVID IMPACT ON COUNCIL FINANCES INCLUDING FINANCIAL SUPPORT TO BUSINESSES

Presentation to the Policy and Resources Scrutiny Panel
2 March 2021

IMPACT ON COUNCIL FINANCES

2020/21 Revenue Budget

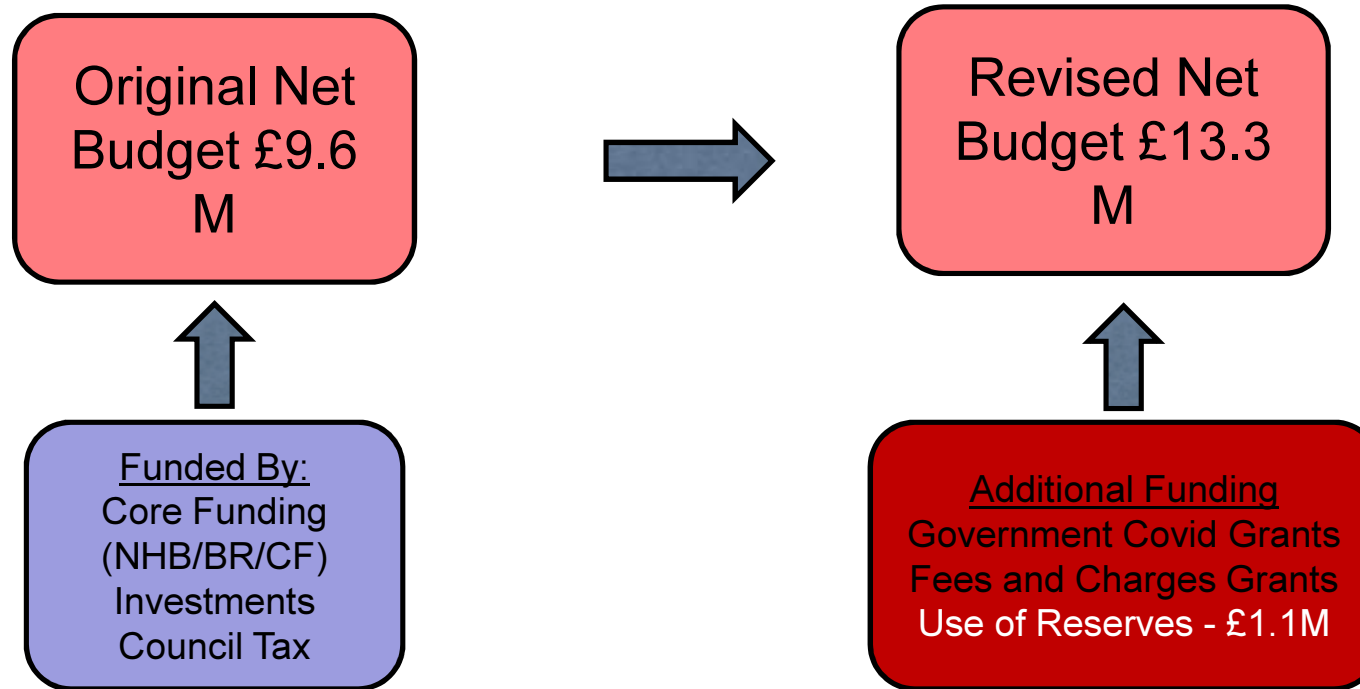


Impacts of COVID19



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2020/21 Emergency Budget (Sept)



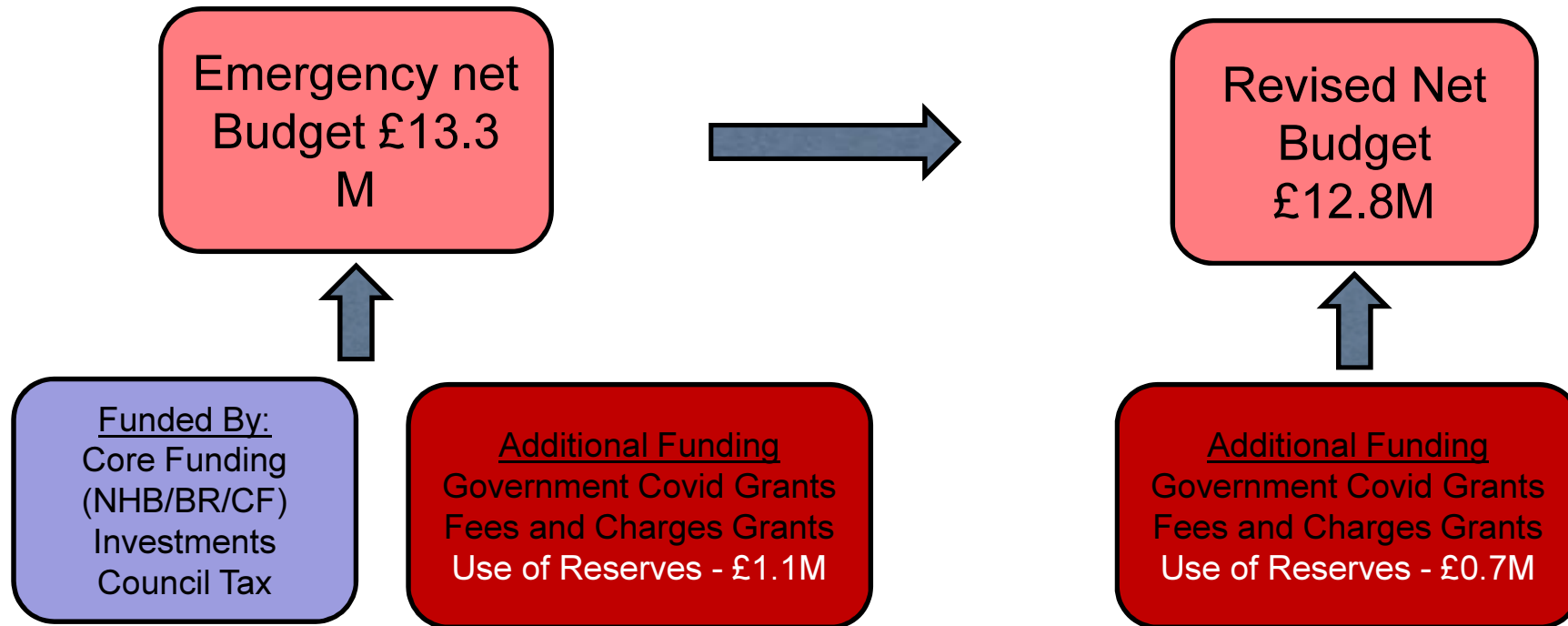
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Other Measures

Living Below
Our Means

- Events and activities put on hold e.g. Fareham in Bloom, Access all Areas, discretionary functions
- Furlough v redeployment for new burdens
- Monitor Grant Schemes available for LAs
- Capital programme review e.g. Fareham Live
- LBOM – Would you do this with your savings?

2020/21 Current Budget Projections



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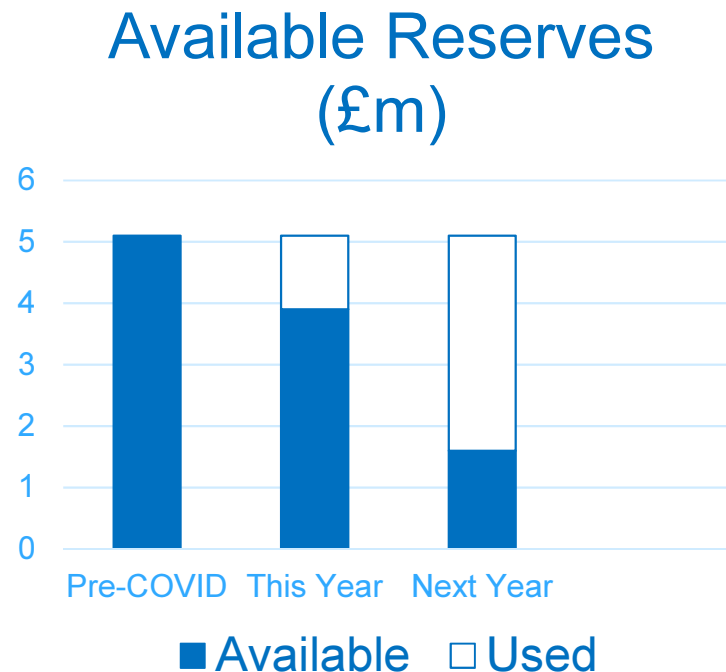
Budget 2021/22

Description	Amount
Gross Budget	£48,371,100
Service Income	£35,532,700
COVID FUNDING	£751,000
CONT FROM RESERVES	£1,815,500

Budget 2021/22

Description	Amount
Net Budget	£10,271,900
LTSG Income	£153,700
Business Rates	£2,661,798
Amount from Tax Payers	£7,456,402

Impact on Useable Reserves



- Up to 60% used in the next 2 Years
- Fair Funding Review
- Opportunities Plan projects

In Summary

- ❖ Balanced Budgets set for the next 2 years
- ❖ BUT – Significant impact on reserves
- ❖ Future pressures still expected

END OF PART ONE

Questions?



FINANCIAL SUPPORT TO BUSINESSES

Financial Support for Businesses

Wide variety of support to Fareham businesses

- Rate Reliefs
- Business Grants
- Other support

Over £50m available

£44.2m given to date

Business Rate Relief
(£18.4m)

Spring/Summer Grants
(£19.8m)

New Government Announcements

LRSG-various
(£8.5m)

ARG-various
(£3.3m)

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COVID Business Rates Reliefs

Extended Retail Relief

£18m



Nursery
Schools
£230k



Pubs
£170k



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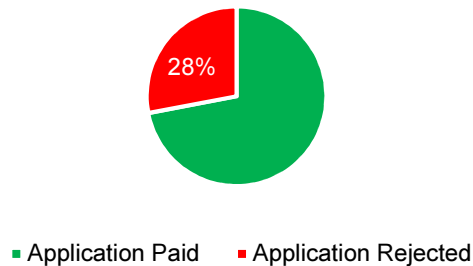
Business Grants Overview



- Mandatory or Discretionary
- Linked to period of restriction (Spring / Summer, Tier System National lockdown, Roadmap)
- Rate Payer ?
- Specific Criteria e.g. demonstrate a loss
- Application form
- Speed versus Accountability

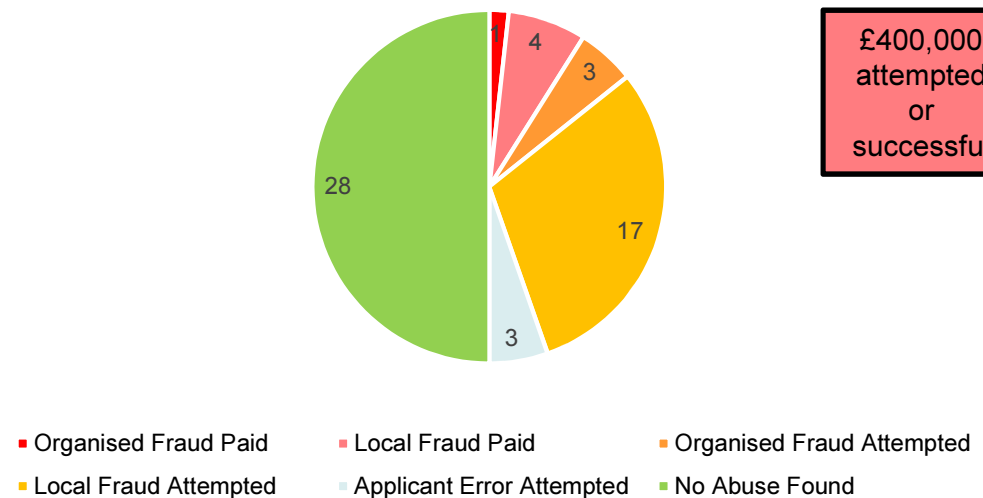
The Importance of Checking

**The Results of Checking –
Spring / Summer Schemes
2,062 applications**



571 Rejected

Results of 56 Cases Referred for Investigation



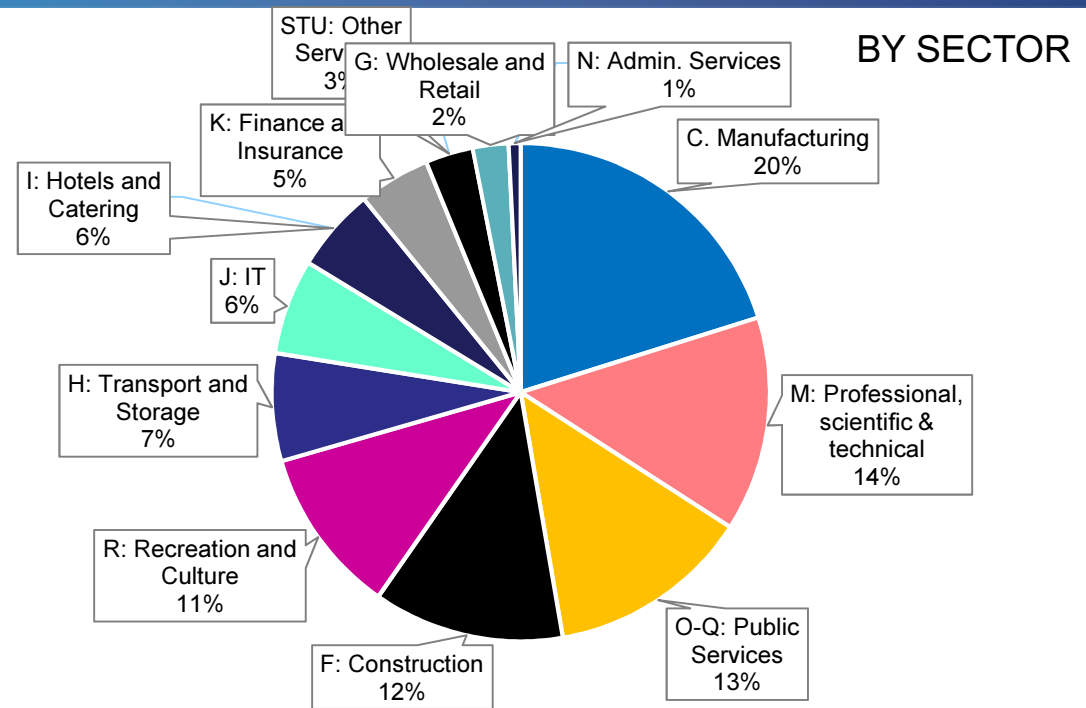
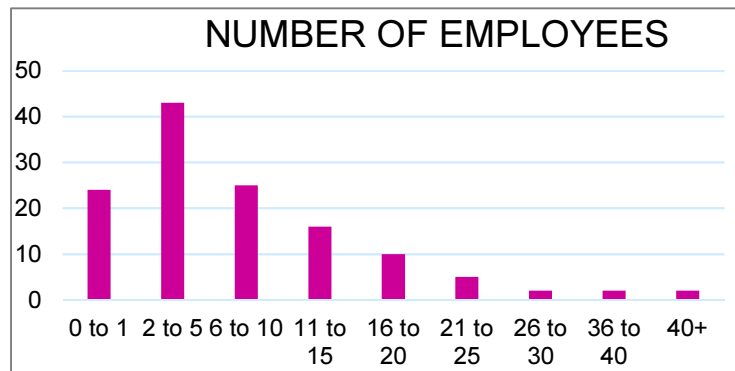
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Spring / Summer Schemes

Scheme	Value of Grant	Number Paid	Total Value paid
Small Business	£10,000	1,089	£10,890,000
Retail, Hospitality and Leisure	£10,000 or £25,000	402	£7,905,000
Discretionary Scheme	£2,500, £5,000, £7,500, £10,000	150	£1, 019,000
Totals		1,641	£19,814,000

- All business rates payers or operate from commercial property
- All LADGF funding was paid out to businesses
- LADGF included payments by instalment for 21 market traders

Who We Helped (LDGF)



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Current Schemes In a Picture

		3 weeks 6 days (27 days)	3 weeks 3 days (24 days)	1 week 3 days (10 days)		6 weeks (42 days)	2 weeks 6 days (20 days)	3 weeks 3 days (24 days)		
	Up to 4 Nov 20	5 Nov - 1 Dec	2 Dec - 25 Dec	26 Dec - 29 Dec	30 Dec - 4 Jan	5 Jan - 15 Feb 21	16 Feb - 07 Mar 21	08 Mar - 31 Mar 21	Apr-21	Mar-22
Fareham alert level	Tier 1 (Medium)	National Lockdown	Tier 2 (High)	Tier 4 (stay home) Tier 4 (stay home)		National Lockdown	National Lockdown	Roadmap Step 1	ukn	ukn
Grant Schemes		LRSB (Closed) Addendum 1				LRSB (Closed) Addendum 2	LRSB (Closed) Addendum 3			
				LRSB (Closed) Addendum: Tier 4						
			LRSB (Closed) 1							
			LRSB (Open) 1							
			CSP (wet pubs)							
						Closed Business Lockdown Payment (RHL Top Up)			Restart Grants	
		ARG T1								
			ARG T1M (Markets) [from 14 December 2020]							
			ARG T2 Part 1 [Until 19 March 2021] - 12 weeks							
							ARG T2 Part 2	ARG Top Up		
							ARG Taxi			
								Other Wider support schemes		

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Business grants – Current mandatory

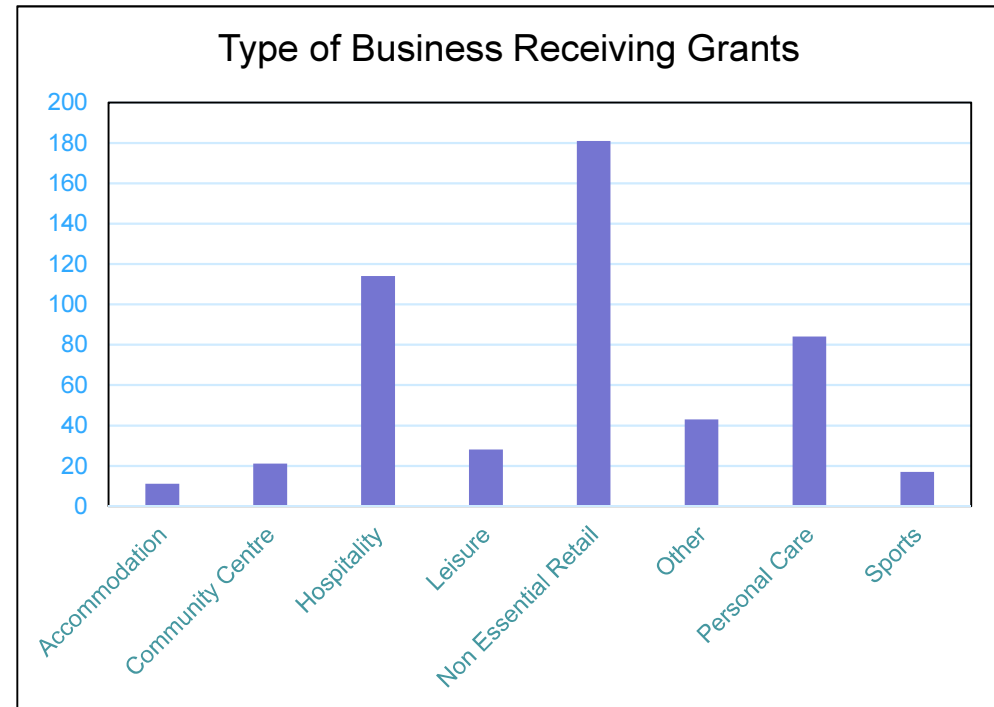
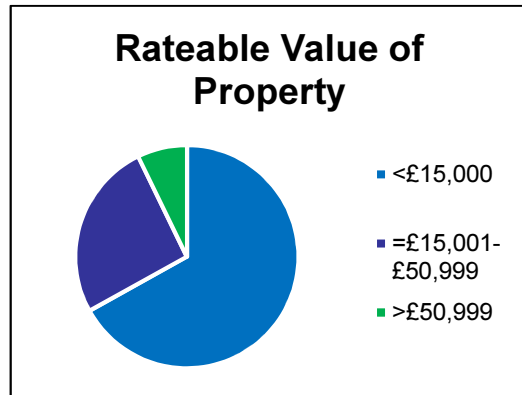
- Local Restrictions Support Grant (Closed) + T4 + Addendum
- Christmas Support for Wet-led pubs – Now closed
- Closed Business Lockdown

Open to Businesses
in Properties with
Higher RV - But state
aid....

Rate Payers Forced to
Close

- £4.9 million has been paid to local businesses under the “closed” schemes, and funds are still available for new applicants.

LRSg To Date



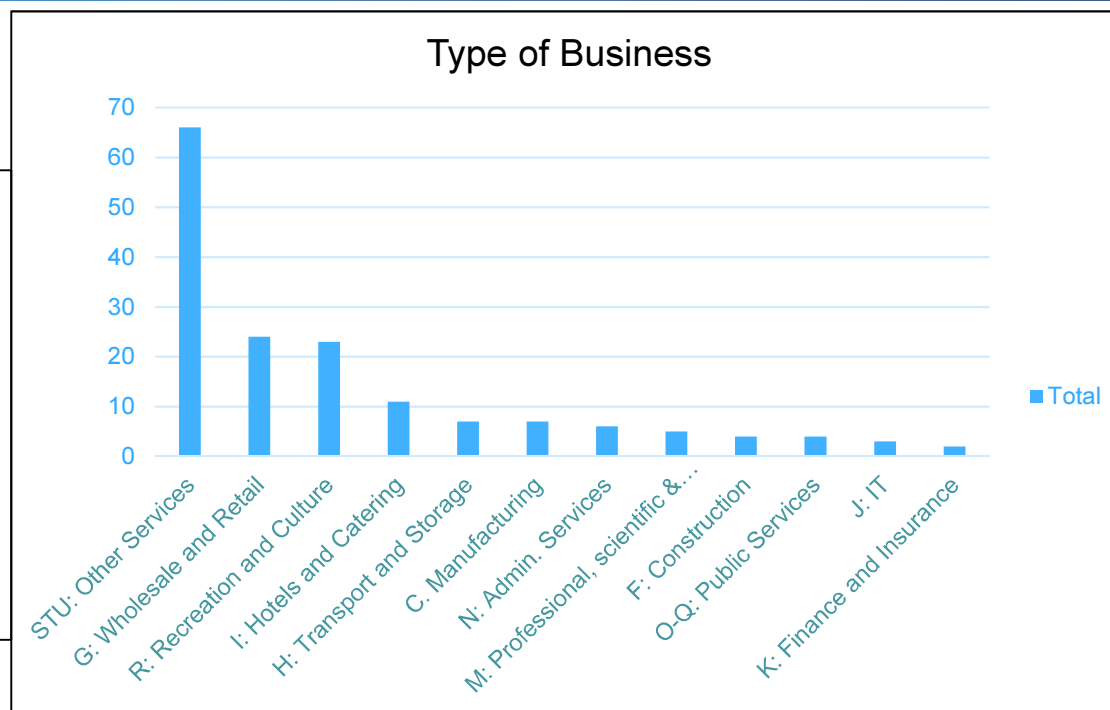
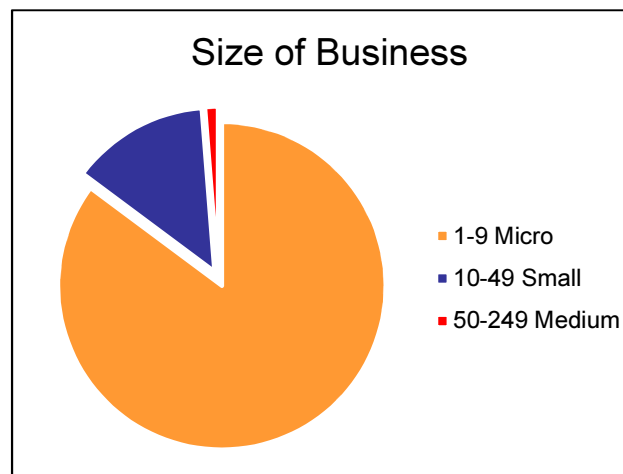
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Business grants – Current discretionary

- Schemes are defined by local authorities
- LRSG-Open
- ARG schemes Principles agreed in December
 - Tranche 1 – businesses that have experienced a loss of at least 15% turnover during the November period
 - Tranche 2 – businesses that have experienced a loss of at least 15% turnover during the November period and January 2021
 - Market Support
 - Taxi Support
 - 'Wider support' – designed in consultation with businesses (next slide)

ARG is open to businesses run from domestic properties!

ARG To Date



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ARG: Wider support

20% of ARG fund allocated = £465,000

Added in £20,000 from Economic Recovery Plan

Aimed at ways to help businesses help themselves

Designed in consultation with the business community, but there are government boundaries, e.g. rate relief.

Short survey undertaken in January 2021

315 responses within ten days

Sent to Council database and via FSB and Chamber of Commerce

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Survey Results

- General Business Advice Consultation
- Specific areas of help arising
 - Legal advice
 - Building on-line sales platform
 - Marketing including use of social media
 - Developing a delivery mechanism
 - Diversification

Local Businesses Covid Response Survey

Introduction

Fareham Borough Council has received Government funding through the Additional Restrictions Grants Scheme to support local businesses and the economy which have been impacted as a result of the Covid-19 pandemic.

The following short survey asks businesses directly what support they would find most useful to survive the pandemic and recover afterwards.

The information you provide will help the Council decide how best to use the funding to assist businesses.

You have until 11.59pm on the 16th January 2021 to complete the survey.

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Other Financial Support

- Leisure centre assistance (previously mentioned)
- Creditors payment terms changed
- Negotiated with businesses on rent and rates terms

END OF PART TWO

Questions?

