

## APPENDIX 1 (ANNEX A)

### COVID-19 Government Grants and Support for the Local Economy

The Council received a range of grants from Central Government in 2021/22 to support the overall response to the COVID-19 pandemic. The financial impact of these grants is included within the outturn and Statement of Accounts. The grants were administered by the Council in line with the guidance received from Central Government.

In usual circumstances, the Council received an allocation and the grant in advance which assisted with cash flow. It then had to be determined whether the Council were administering the grant acting as either an agent or as principal.

In acting as agent the following conditions applied:

- It was acting as an intermediary between the recipient and the Government Department;
- It did not have “control” of the grant conditions and there was no flexibility in determining the level of grant payable.

In acting as principal, it was able to use its own discretion when allocating the amount of grant payable.

For the months covering September 2020 to March 2021, the Government introduced a range of grants under the general heading of Local Restrictions Support Grant (LRSG).

From 1 April 2021, the Council began administering a new round of business support grants known as Restart Grants and continued to administer this grant regime until the closing date for final payments on 31 July 2021.

On 21 December 2021, and in recognition of the rise of the Omicron variant throughout the country, the Government announced the introduction of grant support for hospitality, leisure and accommodation businesses. Funding was made available to all Local Authorities from January 2022 and the scheme was to close in March 2022 with all final payments being made and dispersed to recipients by 31 March 2022.

The table below summarises the business grant activity during 2021/22.

Grants	Total grant allocation £000	Grant Remaining as at 31 March 2021 £000	The Council acting as Agent £000	The Council acting as Principal £000	Expenditure as at 31 March 2022 £000	Amount Returned / to be Returned £000
Closed Tier 3 17th October 2020 (19 days)	89	12	-	-	-	12
Closed Addendum 5th November 2020 (28 days)	2,860	954	92	-	92	862
Closed Tier 3 3rd December 2020 (28 days)	420	(448)	57	-	57	(505)
Closed Tier 4 31st December 2020 (5 days)	1,045	707	18	-	18	689
Closed Addendum 5th January 2021 (42 days)	4,290	1,442	149	-	149	1,293
Closed Business Lockdown One-Off Payment	8,577	2,882	304	-	304	2,578
Closed Addendum 16th February 2021 (44 days)	4,494	1,553	210	-	210	1,343
Christmas Support Payment (Wet Led Pubs)	90	2	-	-	-	2
Restart Grants	9,786	9,786	8,415	-	8,415	1,371
Omicron Hospitality and Leisure Grant	1,986	1,986	1,491	-	1,491	495
Open/Additional Restrictions Grant	6,438	3,759	-	3,376	3,376	383
	<b>40,075</b>	<b>22,635</b>	<b>10,736</b>	<b>3,376</b>	<b>14,112</b>	<b>8,523</b>

In total the Council administered and forwarded grant payments of £14.112M during 2021/22 and met the final deadline of 31 March 2022. Now all rounds have been completed the reconciliation process is underway (completed in most cases) and any remaining funds are to be repaid to Central Government as appropriate.

As outlined in the table below, the COVID-19 pandemic led the Government to introduce further specific grant regimes for the Council to administer. Each of these grants had its own terms, conditions and eligibility criteria and some had detailed reporting requirements.

	Total grant allocation	Grant Remaining as at 31 March 2021	The Council acting as Principal	Grant Remaining as at 31 March 2022
Grants	£000	£000	£000	£000
Community Vaccine Champions	485	485	166	319
Contain Outbreak Management Fund	1,826	1,826	989	837
Council Tax Hardship Fund	1,425	414	16	398
COVID Winter Grant Scheme	14	14	14	-
Holiday Activity Fund	393	393	383	10
Household Support Fund	435	435	430	5
Local Authority Compliance and Enforcement Grant	77	27	-	27
Play and Skills at Teatime Activities	30	30	-	30
Reopening the High Street Safely Grant	354	284	281	3
Self Isolation Practical Support	283	283	261	22
Support for Clinically Extremely Vulnerable Individuals	422	422	7	415
Test and Trace Allocation (Lancs County Council)	151	151	34	117
Test and Trace Support Payments	1,488	1,280	1,280	-
	<b>7,383</b>	<b>6,044</b>	<b>3,861</b>	<b>2,183</b>

All remaining unspent funds as at 31<sup>st</sup> March 2022 are included in the Councils balance sheet within Short Term Creditors and the funds are available to be utilised within 2022/23.

In addition to the business grant funding and COVID specific grants, the Council also received non-ringfenced general grants to support its COVID response. These were:

- General grant allocation of £0.852M alongside unspent monies of £0.505M from previous years totalling £1.357M. The Council applied £0.863M of these allocations to expenditure in 2021/22 with the remaining £0.494M being held in reserve prior to being utilised to support the future net financial position of the Council;
- Compensation for the loss of Sales, Fees and Charges income of £0.731M;

As per the previous financial year, the government and local businesses have relied upon an expeditious, yet robust, application process. The Council have generally met this through the hard work, dedication and diligence of its staff, widespread throughout the Council.