

Individual Executive Decision Notice

Report title	Additional Restriction Grant -Taxi and Private Hire Grant Scheme-Taxi and Private Hire Grant Scheme	
Decision designation	GREEN	
Cabinet member with lead responsibility	Councillor Stephen Simkins Cabinet Member for City Economy	
Wards affected	(All Wards);	
Accountable Director	Richard Lawrence, Director of Regeneration	
Originating service	Revenues and Benefits and City Economy	
Accountable employee	Isobel Woods	Head of Enterprise
	Tel	01902551814
	Email	isobel.woods@wolverhampton.gov.uk
Report to be/has been considered by	Cabinet Member Briefing - City Economy	10 February 2021

Summary

To agree a one off grant scheme through the Additional Restrictions Grant (ARG), in accordance with government guidance, to support taxi and private hire drivers who live in the City of Wolverhampton .

On 25 January 2021 a Special Urgent Decision delegated authority to agree the distribution of discretionary business grants to the Cabinet Member for Resources and the Cabinet Member for City Economy in consultation with the Director of Finance and the Director of Regeneration in line with Government guidance.

Recommendation for decision:

That the Cabinet Member for City Economy and the Cabinet Member for Resources, in consultation with the Director of Finance and Director of Regeneration:

- Approve a new business support grant scheme, to award a one-off grant payment to taxi and private hire drivers who live in the city that are not eligible for either the Mandatory Business grants or the Discretionary schemes which have been in place since October 2020.

Signature

Date:

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1.0 Background

- 1.1 Following the Government announcement of several measures to support businesses that are required to close, or are trading but severely impacted, officers sought members approval on 25 January 2021, through a Special Urgency Decision to establish the supplementary revenue budget for the Additional Restriction Grant totalling £7.6 million as listed in the table below:

Grant	Amount £
Additional Restrictions Grants -	5,267,140
Additional Restrictions Grants – Further funds announced 05.01.2021	2,339,414
Total	7,606,554

- 1.2 On 25 January a Special Urgent Decision delegated authority to agree the distribution of discretionary business grants, for the latest restrictions of Lockdown 3 to the Cabinet Member for Resources and the Cabinet Member for City Economy in consultation with the Director of Finance and the Director of Regeneration in line with Government guidance.
- 1.3 This approval has enabled the administration of business grant scheme for Lockdown 3, to support businesses who are eligible for the national scheme and to allow the council to use funds from the Additional Restriction Grant to support businesses who fall outside of the national criteria but are eligible for grant support

2.0 Overview

- 2.1 The criteria identified for the Mandatory and ARG scheme requires businesses to meet certain eligibilities. It has become clear that taxi and private drivers are struggling to meet these requirements and therefore have not been able to access current government grant schemes.
- 2.2 The scheme would support self-employed taxi and private hire drivers who live in the City of Wolverhampton. To offer a one-off payment of £2,000, subject to certain conditions. It would be administered through the current business grant application system. The benefits being:
- The applicant will be able to monitor their application online.
 - Governance, finance and audit checks, fraud checks which are already in place will be extended across this scheme

- The council can capture payment monitoring against the budget line, which is submitted to government via weekly reports

2.3 The criteria of the scheme has been discussed with the Head of Licensing who has offered officers from the service to support the assessment of applications. Those interested in making an application will be asked to submit the following evidence online.

- Name of applicant / licensed driver
- Badge Number (HD or PD).
- Bank details in the driver's name must be provided
- National Insurance Number
- Asked to confirm they are self-employed and do not receive a salary from an employer through the PAYE scheme
- Need to certify that they are not bankrupt, nor have they received a Statutory Demand or Bankruptcy Petition
- Must have lived in Wolverhampton for the past 13 weeks and must have notified Licensing Services of their current address.
- Driving licence, showing Wolverhampton address.

In addition:

- Private Hire Drivers must state which Operator they have worked for in the last 6 months.

2.4 It is proposed to open the application for a period of 2 months. The timescale reflecting the position that public health measures are being reviewed. At this point the scheme will be reviewed which might identify a second scheme, subject to revisions or adjustments.

3.0 Evaluation of alternative options

3.1 The criteria identified for the Mandatory and ARG scheme requires businesses to meet certain eligibilities. It has become clear that taxi and private drivers are struggling to meet these requirements and therefore have not been able to access current government grant schemes.

3.2 It could be decided that taxi and private hire businesses should receive the same value of grants being offered through the Mandatory and ARG schemes, as they are businesses who have also been adversely affected during National Lockdown and with other restrictions. However, the current schemes have been aligned to support businesses either with a business rate liability or who have experienced a significant financial loss evidenced through formal records. In the absence of these the level of grant has been proportionally set, taking into consideration that drivers have no fixed overheads and have been able to trade during this time.

3.3 The evidence is to ensure the city supports taxi and private hire drivers who are genuine drivers and resident of Wolverhampton. The council has a duty to ensure it has clear

parameters in place to prevent fraudulent or disingenuous claims, that funds go to those who have a genuine position of need.

4.0 Reasons for decision

4.1 The Council has legal and moral duties in relation to a number of aspects arising from Covid-19. This decision gives the authority to provide grant support to businesses fully funded by additional grant from Government against a set criteria.

5.0 Financial implications

5.1 Government have announced additional funding to help support businesses who are required to close in line with Government guidelines or have suffered a reduction in income. The Special Urgency Decision approved on 25 January 2021 approved the establishment of supplementary revenue budgets for ARG grants totalling £7.6 million, as follows:

Grant	Amount £
Additional Restrictions Grants -	5,267,140
Additional Restrictions Grants – Further funds announced 05.01.2021	2,339,414
Total	7,606,554

5.2 This report seeks approval to amend the elements to the Additional Restriction Grant as set out in this report. All grants are fully funded as detailed above.

[VS/22022021/F]

6.0 Legal implications

6.1 The Additional Restrictions Grant Guidance (ARG) encourages local authorities to develop discretionary grant schemes for businesses which are severely impacted by the Covid19 Pandemic. The Guidance refers to local authorities supporting businesses outside the business rates system such as Market Traders.

6.2 S94(1) VAT Act 1994 defines business as including a trade, the Council in applying this definition and interpreting the Guidance has extended the Grant to include Taxi Drivers. This follows as similar approach taken by other local authorities.

6.3 The Council will put in place a robust mechanism to monitor the scheme and deter fraud.

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7.0 Equalities implications

7.1 There are no equalities implications arising from the recommendation in this report.

8.0 Climate change and environmental implications

8.1 There are no climate change or environmental implications arising from the recommendation in this report.

9.0 Human resources implications

9.1 Additional resources have been requested from Licensing services to assist with the delivery of the scheme. The project can also approach the councils redeployment and or Yoo Recruit to identify potential personnel should we have a need to fill roles.

10.0 Corporate Landlord implications

10.1 There are no corporate landlord implications arising from the recommendation in this report.

11.0 Health and Wellbeing Implications

11.1 There are no health and wellbeing implications arising from the recommendation in this report.

12.0 Covid Implications

12.1 The approach set out above seeks to address the Covid-19 impact on businesses affected by recent public health measures.

13.0 Schedule of background papers

13.1 Urgent decisions relating to November lockdown and budget decisions related to Council actions as result of Covid-19

<https://wolverhampton.moderngov.co.uk/ieDecisionDetails.aspx?ID=5571>