

Record of officer decision

Decision title:	Arrangements to support festivals & events with discretionary grant funding via the Additional Restrictions Grant budget
Date of decision:	23 September 2021
Decision maker:	Interim Director for Economy and Place
Authority for delegated decision:	<p>Cabinet Member for Economy and Place, decision 4 May 2021, “Additional Restrictions Grant - business recovery programme”</p> <p>https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?Id=7866</p> <p>The decision approved a ceiling budget of £7.37m (as per the funding provided by the Department for Business Energy & Industrial Strategy) and recommendation D delegated to the Director for Economy and Place following consultation with the Cabinet Member for Environment, Economy and Skills and the Section 151 Officer the authority to vary the grant support for businesses in accordance with the national government guidance to be able to urgently respond to fast changing Covid 19 circumstances</p>
Ward:	All
Consultation:	<p>Consultation with the Cabinet Member for Environment, Economy and Skills has taken place on the implementation arrangements to the Festivals & Events grant.</p> <p>The Section 151 Officer has also been consulted about the implementation arrangements</p>
Decision made:	<p>Approve the festivals & events grant arrangements, which will provide eligible applicants a minimum grant of £5,000 and a maximum of £50,000 depending on the number of evidenced attendees at the event, and provide applicants discretion on the use of the award; and</p> <p>The Economic Development Manager is delegated the authority to award grants to applications that meet the eligibility requirements of the scheme.</p>
Reasons for decision:	<p>The Council has been awarded £7.37m Additional Restriction Grant fund since November 2020 to support businesses severely impacted by coronavirus restrictions. The Department for Business Energy & Industrial Strategy has provided the council discretion on how it can use these funds to support the needs of local businesses and the economy. Following a number of discretionary grant rounds, £630k of the £7.37m budget remains.</p> <p>The Cabinet Member for Economy and Place decision 04 May 2021, “Additional Restrictions Grant - business recovery programme” set out proposals for a Festivals and Events Grant to support existing public events and festivals that will take place within the 2021/22 financial year.</p> <p>Due to the dynamic Covid-19 situation, circumstances have changed and many events planned for 2021 will either have now occurred or have been cancelled due to the situation. There is also an opportunity to reflect arrangements on other grant schemes, simplify the criteria and remove subjective assessment requirements or further post payment spend monitoring.</p>

In consideration of the above, this decision proposes to vary the criteria to support festivals and events as follows:

Operate the grant as a discretionary grant with broad criteria and application process. Making grant awards to those events meeting the criteria. Eligible applicants would be given discretion on the use of the award and there would be no subsequent monitoring process on the use of these funds (the covid-19 fraud/post payment checks will remain).

Eligible applicants will have the discretion on the use of the funds within the government set criteria.

Applicants will need to be either a business, a charity, or town or parish council. Constituted community groups will be able to apply through one of the above eligible applicants where they are an active partner within the group.

Events will need to take place following the receipt of the grant either within 2021 or 2022 calendar years. If the event or festival does not go ahead by December 31st 2022, unless due to the reintroduction of further COVID19 restrictions, any grant awarded will be clawed back from the applicant body. Events supported will have a minimum attendee requirement of 500 which will restrict very localised events.

Events must be held in Herefordshire and all members of the public must be able to attend (via a reasonable charge if necessary) at all times.

A previous event of the same nature must have been held by the applicant during the three calendar years prior to 17 September 2021.

Event organisers who hold more than one event per year will be able to apply for more than one event providing that each is materially different. For example an event organiser holding a food festival would not be supported for holding another food festival but would be supported for holding a walking festival or arts fair.

Applicants can apply for no more than 2 grants per organisation.

In addition to the above criteria the following types of event are specifically excluded:

Award ceremonies

Business expos or trade fairs

Wedding fairs

School or village fetes

Regular street markets, auctions, car boot sales, or agricultural markets

Sports matches, race meetings or sporting competitions

A one off grant will be made in accordance with the following criteria:

Events or festivals evidencing less than 1000 attendees will receive a £5,000 grant payment;

Events and festivals providing strong evidence of between 1001 and 5,000 attendees will receive a £10,000 grant payment.

	<p>For events and festivals providing substantial and verifiable evidence of over 5,000 attendees a grant payment of up to £50,000 will be made.</p> <p>For events in this last category the size of the grant payment will be determined by:</p> <p>the number of attendees; the strength of evidence provided for numbers of attendees – for example demonstrable ticket sales being very strong evidence, head counts or estimations being weak evidence; demonstrable commitment to holding an event before the 31st December 2022 – for example booked venues, performers, released promotion, other associated costs;</p> <p>a definable and demonstrable need for support in the form of an identified viability gap or an expansion of the previous event in terms of number of attendees, length of event, enhanced facilities or attractions.</p> <p>Wherever possible evidence should be based on the last time the event was held during the last three years. For most applicants this should be the last pre Covid19 year (anticipated as 2019 for most annual events).</p> <p>The Economic Development Manager is delegated authority to conclude the suggested eligible items of expenditure, eligible applicant organisations, and any final detailed administration of the scheme.</p> <p>A webpage with the criteria for the scheme and an online application form will be developed which will follow the precedent set by the Additional Restriction Grant Guidance and previous discretionary schemes. Guidance will be provided to applicants and criteria terminology will be explained.</p> <p>All applications will follow the application process and applications will be checked that they are correct, accurate, and that applicants meet the stated criteria and the ARG assurance requirements. The Economic Development Manager will award grants to those that meet the requirements in accordance to the grant criteria. All applicants will be notified of the outcome of their application.</p>
<p>Highlight any associated risks/finance/legal/equality considerations:</p>	<p>Finance: Following the closure of previous ARG support schemes £630,000 remains within the ARG budget. It is therefore considered that the proposed additional payments are affordable within the available budget. Applications received will be considered in review periods, providing the opportunity to close the scheme and proportionally reduce the funding should demand exceed the available funds.</p> <p>Legal: The cost of the ARG scheme will be met using a grant from the Department of Business Energy and Industrial Strategy under 31 of the Local Government Act 2003 the details of which are set out in a letter dated 6 November 2020. The council has the power to deliver the ARG scheme under Section 1 of the Localism Act 2011.</p> <p>The council is to use its discretion to ensure that grants are provided to meet local circumstances and in taking previous decisions on the use of ARG funds has considered the appropriate level of award.</p>

	<p>In assessing applications for grants under the ARG scheme, the council will need to ensure that any information contained in the grant application form is correct, accurate, and that applicants meet the stated criteria. Copies of all grant applications and assessment of applications will be kept by the council for audit purposes.</p> <p>Risk</p>		
	<p>Failure to spend by 31 March 2022</p>	<p>Reputational risk/opportunity cost</p>	<p>The remaining ARG budget represents less than 10% of the total allocation and the proposals within this decision paper will create demand for these funds.</p>
	<p>Demand for the funding exceeds the available budget.</p>	<p>Financial risk / reputational risk.</p>	<p>Applications received will be considered in review periods, providing the opportunity to close the scheme and proportionally reduce the funding should demand exceed the available funds. This will be added into the criteria on the website.</p>
	<p>Lack of take-up funding</p>	<p>Reputational risk/opportunity cost</p>	<p>A communications plan will be developed with the communications section & best efforts to communicate the opportunity will be made. There is the opportunity to vary the criteria to target wider needs should there be low take-up of the grant.</p>
	<p>Equality: This amendment to the ARG programme will be open to organisations that meet the scheme criteria.</p>		
<p>Details of any alternative options considered and rejected:</p>	<p>Do nothing – The council could choose not to implement the funding to the festival & events sector. This would significantly impair the recovery of one of the most severely affected sectors following the Covid-19 crisis, leading to reduced trade and potential job losses and the funds allocated for spend in the county would be returned to The Department for Business, Energy & Industrial Strategy.</p>		

	<p>Implement the scheme as set out in the Cabinet Member for Economy and Place, 04 May 2021 decision. Circumstances have changed since this decision and many events planned for 2021 will either have now occurred or have been cancelled. The opportunity to reflect arrangements on other grant schemes, simplify the criteria and remove subjective assessment requirements or further post payment spend monitoring would also be lost.</p> <p>Support different beneficiaries – The needs of other business/economic actors have broadly been met through the other previous discretionary schemes. The events sector has had limitations affecting two peak periods and as it has a broad supply chain, supporting this sector will also support many other businesses. There is a strong case to support this sector.</p>
<p>Details of any declarations of interest made:</p>	<p>None</p>

Signed

Neil Taylor
Interim Director of Economy & Place

Date: 23 September 2021