

**DISCRETIONARY / HARDSHIP FUND UPDATE**

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**1. INTRODUCTION**

- 1.1 This report provides an update on the Council's Hardship Fund which was an extension of the Discretionary Fund first reported to the Policy and Resources Committee on 10 December 2020, with a further update reported to the Policy and Resources Committee on 12 August 2021.

**2. RECOMMENDATION**

- 2.1 It is recommended that the Policy and Resources Committee approve £98,000 of funding be made available from the Council's Recovery and Renewal Fund to make Hardship Awards to 27 businesses who met the minimum criteria for an award but were rejected as their applications were received after the fund was fully disbursed.

**3. DETAIL****Background**

- 3.1 In late 2020 the Council were allocated a total of £2,420,337 to be disbursed to businesses via a discretionary fund to provide additional support for businesses adversely impacted by COVID where they consider that necessary or justified. On 10 December the Policy and Resources Committee approved the key principles to guide the creation of eligibility criteria to be applied when assessing applications for this funding and further delegated authority to the Executive Director with responsibility for Development and Economic Growth, in consultation with the Leadership Group, to approve the creation of the eligibility criteria for the use of the funding.
- 3.2 Two phases of the Discretionary Fund were launched with the second phase also allocating some of the fund to top up Non-Essential Retail, Hospitality, Leisure (RHL) top up payments to businesses who had missed the Scottish Government deadline to apply but would have qualified.
- 3.3 A report was presented to the Policy and Resources Committee on 12 August 2021 which confirmed these two phases had disbursed £1,912,000 of the fund and the Committee approved that the remaining £508,337 be used to establish an Argyll and Bute COVID Business Hardship Fund to directly support business affected by COVID.

## **Business Hardship Fund Details**

3.4 The Hardship Fund was advertised as being on a first come first served basis to all applications which met a minimum criteria and was open to applications from 9 September until 15 September.

3.5 The table below summarises the final position for the fund.

Total Applicants	208
Total Successful	102
Total Awarded	£508,000 (fund fully disbursed)
Total Unsuccessful (see below)	106

3.6 Of the 106 applications that were unsuccessful there were 27 who met the minimum criteria, and are suffering from COVID related hardship, but by the time their application was received the fund had been fully disbursed meaning they were not awarded funding due to the 'first come first served' basis. If these applications were to be awarded it would require £98,000 which could be funded from the Council's £2.080m Recovery and Renewal Fund which, at this stage, has no current proposals for its use.

3.7 The recommendation to the Policy and Resources Committee is to approve £98,000 of funding be made available from the Council's Recovery and Renewal Fund to make Hardship Awards to 27 businesses who met the minimum criteria for an award but were rejected as their applications were received after the fund was fully disbursed.

3.8 As Fund is fully disbursed this means the decision taken by the Policy and Resources Committee on 12 August 2021 to use the remaining £508,337 to establish an Argyll and Bute COVID Business Hardship Fund has been fully discharged. The recommendation in paragraph 3.7 is therefore a new ask for a disbursement of funding.

## **4. CONCLUSION**

4.1 The Council's Business Hardship Fund has fully disbursed the remaining Discretionary Funds made available by the Scottish Government. There is an option to make awards to a further 27 businesses (at a cost of £98,000) who met the minimum criteria but were unsuccessful due to their applications being received after the fund was fully disbursed. The £98,000 could be funded from the Council's £2.080m Recovery and Renewal Fund.

## **5. IMPLICATIONS**

5.1 Policy – None

5.2 Financial – Any additional funds made available to make further payments to unsuccessful hardship Fund applicants would be drawn down from the Council's recovery and Renewal Fund.

5.3 Legal – None

5.4 HR – None

- 5.5 Fairer Scotland Duty: None
- 5.5.1 Equalities – None
- 5.5.2 Socio-Economic Duty – None
- 5.5.3 Islands Duty – None
- 5.6 Risk – None
- 5.7 Customer Service – None

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**Policy Lead: Councillor Robin Currie (Leader of the Council)**

**For any further information, please contact Laurence Slavin on 01436 657694**