

16th November 2020

Covid Tier 3 Restrictions Support

Purpose of Report

To update the Board of the outcome of negotiations with Central Government and present an outline of how the funds received will be deployed.

Thematic Priority

This report relates to all of the existing and future Strategic Economic Plan and Renewal Action Plan priorities.

Freedom of Information

The paper will be available under the Combined Authority Publication Scheme.

Recommendations

The Board is asked to:

1. note the agreement reached with government to support public health activities and also businesses and residents and the subsequent work on the detail of these strands
2. agree to accept the grant of £30m for the purposes set out above
3. delegate authority to the s73 Officer to accept the money and put in place sub arrangements

1. Introduction

- 1.1** On Saturday, 24th October, South Yorkshire entered Tier 3 of the Covid restrictions as set out by Central Government. This came at the end of negotiations with the MCA and South Yorkshire local authorities, and government. Since the conclusion of negotiations, nationwide restrictions have been imposed at a 'Tier 4' level. The imposition of these additional restrictions does not affect the deal agreed with government
- 1.2** The sum of £41.3m will be made available to South Yorkshire by local government, of which £30m will be received by the MCA with £11.3m to be directly received by local authority partners for Track and Trace and all other public health related activity. The £30m will be deployed to support businesses to mitigate the economic and social effects of the pandemic.
- 1.3** Work has been underway to develop the detail behind the programmes needed to support business, protect jobs and livelihoods and ensure the Track and Trace system works effectively.

2. Proposal and justification

2.1 The £30m South Yorkshire Business Support Scheme will focus on the following:

- **Businesses forced to close but not eligible for Government support** (e.g. no rateable value - share premises)
- **Newly self-employed**: these are individuals who set up in business after 6 April 2019 and therefore do not have a tax return from the required 3 year period 2016-17/2017-18/2018-19
- **Freelancers**: those on short-term PAYE contracts cannot claim under the Job Retention Scheme despite being on payroll. Those in this category, whilst working as freelancers, are often required to be on payroll. Nor can they claim under the self-employed support scheme (SEISS) if less than 50% of their earnings comes from self-employment
- Businesses in the **local supply chain adversely impacted**
- A discretionary fund to enable LAs provide further support where required

Eligible businesses who suffered a loss of trade when South Yorkshire was placed in Tier 2 and then in Tier 3 will be supported via a separate fund.

All grants will be applied at the discretion of each local authority to the agreed common criteria and all payments will be a one-off.

3 Consideration of alternative approaches

3.1 This paper relates to the award of emergency funding by central Government to support businesses and residents in South Yorkshire under Covid Tier 3 restrictions. No alternative approaches were required to be considered.

4. Implications

4.1 Financial

£30m of revenue resource will be received by the MCA to be deployed at its discretion.

Resource allocation and monitoring arrangements will be put in place in collaboration with local authority partners to ensure the sound use of this resource.

4.2 Legal

There are no legal issues for this paper.

4.3 Risk Management

There are no risks arising directly from this report.

4.4 Equality, Diversity and Social Inclusion

None arising directly from this report. The delivery of infrastructure and housing capital schemes will stimulate economic growth in the SCR and, therefore, contribute to both the economic recovery and improving social inclusion.

5. Communications

5.1 The funding announcement has already been publicised. Further announcements may be required to publicise the programme more widely and there will be opportunities for positive communications as schemes are delivered.

6. Appendices/Annexes

6.1 None.

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: None