



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Regeneration and Sustainable Development Cabinet Board

Friday 22nd October, 2021

Report of the Head of Property and Regeneration – S. Brennan

Matter for Information

Wards Affected:

All Wards

Covid-19 Grant Support for Local Businesses from March 2020 to Present.

Purpose of the Report:

To update members on the activities of the Economic Development Service in processing Covid-19 financial assistance to local businesses from March 2020 to August 2021.

Executive Summary:

- Between April and end June 2020, supported the Non Domestic Rates Team to deliver £40,317,000 of grants to 3,119 businesses, directly supporting 855 applicants, and bringing 400 new premises into rating.
- Over the last 14 months delivered nine discretionary grants on behalf of Welsh Government to the value of £2,390,500, awarded to 1,151 successful applicants. In total, 1,001 businesses applied and 1,723 applications were processed.
- Re-established strong working relationship with Welsh Government, which will be ongoing as we move into recovery.

- Established strong working relationship with other Local Authority Economic Development Teams across Wales.
- Strengthened existing working relationships with other sections internally – NNDR, Finance, Licensing, and Environmental Health & Trading Standards.
- Engaged with our foundational economy businesses, who would not normally seek support from the Economic Development Service and developed a good understanding of their operations.
- Identified ways in which to improve and target the service’s support for foundational economy businesses.
- Successfully audited on two of the grants delivered and found to have robust controls in place.

Background:

1. Leading up to the first national lockdown in March 2020 when there was uncertainty around the pandemic it became clear, through constant phone calls and emails, that businesses would look to the Economic Development Service for information, advice and support.
2. Over the last 17 months, the Covid-19 pandemic has had a huge effect on our local businesses. The necessary forced closures during lockdowns and the impact of restrictions outside of lockdowns resulted in a sustained loss of income, and uncertainty whether many of our businesses would be able to recover and survive.
3. In early April 2020, three members of the Economic Development Team were made available to support the Business Rates Team to deliver the first round of their grants programme. This continued until the end of June, and then, over the following 14 months, they delivered nine rounds of discretionary grants on behalf of Welsh Government. These funds have been invaluable in assisting local businesses to survive through the pandemic.
4. The Team prioritised delivering such support whilst fulfilling their usual roles on a reactive basis. They willingly worked weekends, over bank holidays and postponed leave to ensure that local businesses received the support they needed as promptly as possible.

5. Both UK and Welsh Government responded by providing a range of financial assistance throughout the period including HMRC's Self-Employment Income Support Scheme (SEISS) and Job Retention Scheme (Furlough) programmes; favourable termed loans through the High Street Banks and the Development Bank of Wales; Non-Domestic Rate Grants; and a range of discretionary grants.
6. There is no doubt that the availability of this unprecedented financial support ensured that many businesses were able to survive the pandemic and its lockdowns and ongoing restrictions.
7. On a positive note, many businesses adapted well to the impact of the restrictions, remodelling their business operations, providing new services, etc. Consequently, moving forward, we anticipate that many of these changes and more will need to become permanent and further investment will be required to support this.

Supporting NNDR Team

Soon after the announcement of the UK-wide lockdown in late March 2020, the Welsh Government announced that it would provide Non-Domestic Rates (NDR) grants for businesses registered and paying business rates before 20th March 2020.

Businesses had to be operating in the retail leisure and hospitality sectors, be in receipt of Small Business Rates Relief, or be eligible for charitable or Community Amateur Sports Club (CASC) relief. Set grant levels of £10,000 or £25,000 were available. The grant was open for applications until 30th June 2020.

In early April 2020, the Economic Development Team worked with colleagues in NDR to deal with the huge volume of email and telephone enquiries they were receiving. The role evolved as new circumstances came to light and we:

- Verified individuals who had been unable to access their application letter, providing them with their unique PIN number and the link to the on-line application.
- Advised individuals, who should have been the registered account holder for NDR, what information they needed to provide to register.

This occurred where a tenancy had changed and the NDR Team not updated.

- Advised individuals whose premises were not in rating to contact the Valuation Office and what information they needed to provide. This resulted in over 400 new business premises registering on our rating system.
- Contacted those businesses that had failed to apply, established their circumstances and advised accordingly. Many businesses in receipt of Small Business Rates Relief, who as a result did not pay rates, did not believe they were eligible.
- Supported individuals having difficulty making their application or using the on-line system.
- Fielded general queries e.g. confirming receipt of applications, grant payments made, future grant support, etc.
- Advised of other funding options for those not eligible for the NDR support.

This collaborative approach between the NDR and Economic Development teams not only strengthened the working relationship between the teams, but also enabled the NDR team move quickly in delivering essential emergency payments to our local businesses. In total, the NDR team processed 3,119 grants totalling £40,317,000, with the Economic Development Team supporting 855 individual applicants.

In processing the discretionary grants on behalf of Welsh Government, the working relationship continued. For example, throughout the process, both teams discussed and referred applications to the relevant scheme to ensure businesses received the support they needed. Recent audits of the process confirm the effective working between the teams.

This was a very stressful time for both teams. Behind every application were individuals who were facing a very uncertain future for themselves and their families. All were losing personal income with many having responsibility for employees too, yet having no idea how long the lockdown would last and what impact this would have on the viability of their business.

The Teams dealt with individuals displaying a range of emotions either in emails or in telephone conversations. In addition to providing the necessary advice and information, we as a matter of course took on a pastoral role, listening, and giving reassurance and encouragement as needed.

The Economic Development team communications with applicants were thus extensive as a result, with over 3,500 emails exchanged, in addition to many telephone conversations.

Grants Processed

In June 2020, the Welsh Government, through the Welsh Local Government Association (WLGA), informed all councils that it was planning to introduce a grant that it wanted the local authorities to deliver on its behalf.

This was the first of nine discretionary grants delivered jointly over the next 14 months.

Appendix 1 provides details on the individual grants processed by the Team, including their target audience, key criteria and time-scales.

In summary overall, the Team processed 1,723 applications from 1,001 individual businesses awarding £2,390,500 in grants.

| Grant | No Applications | Value of Grants Awarded |
|-------------------------------------|------------------------|--------------------------------|
| Start Up Grant | 91 | £ 80,000 |
| Freelancer 1 | 116 | £245,000 |
| Firebreak Lockdown | 351 | £491,000 |
| Restrictions Business Fund | 408 | £708,000 |
| Extended Restrictions Business Fund | 485 | £584,000 |
| Freelancer 2 | 77 | £192,500 |
| Freelancer 3 | 40 | £ 22,500 |
| Economic Resilience Fund 4 | 140 | £ 57,500 |
| Economic Resilience Fund 5 | 15 | £ 10,000 |
| Total: | 1,723 | £2,390,500 |

Delivering the above has helped re-establish a strong working relationship between Welsh Government and Local Authorities going forward. *The Economic Development Team is now working with Welsh Government on*

the delivery of a Business Recovery Grant, due to be launched in late September 2021.

In addition, Appendix 2 provides more detail on our relationship with the Welsh Local Government Association (WLGA) and Welsh Government as part of delivering this programme of support as well as the type of applicants we dealt with.

Findings on the local business community

Through processing these grants, the Economic Development Team has gained a better understanding of Neath Port Talbot's foundational economy businesses. It was clear that pre-Covid there was a thriving economy providing basic local services, such as hair and beauty, domestic trades, hospitality, transport, etc.

Most businesses we engaged with were sole business owners with no employees. The length of time they had been trading ranged from those who started a business during the pandemic to those established for many years.

From the outset, it was clear that some businesses were better placed to survive the pandemic. As noted earlier, many 'businesses' were surviving week to week and had no financial contingency to fall back on.

The turnover of the businesses varied considerably and indicated that for some their 'business' was probably part-time, or a top-up to the household income, as their turnover was well below the living wage.

In many cases, we found the applicant's approach to running a business was haphazard with poor financial management, record keeping, etc. The majority used their personal bank account for business purposes, rather than having a separate business bank account. This made it difficult to identify business income in assessing applications.

Further, of those businesses that operated primarily on a cash basis, many were unable to evidence their income, as this did not go through their bank and they did not keep records of receipts.

To confirm the business was operating, we did searches for them on the Internet and checked the various social media platforms. On the one hand, there were a few, who had no obvious presence. These were mainly

businesses with small repeat customer bases, those established for many years, or who gained their work through word of mouth recommendation.

Of those businesses that did have a presence on social media, some were very active throughout the lockdowns periods, engaging with their customer base, whereas others did very little.

Individuals had issues with applying due to poor IT skills. Surprising, a number of applications were hand written, some only had access to a mobile phone to make an application or relied on others to help them make their application and provide the required evidence.

It was also clear that many businesses the team engaged with had received very little, if any, business advice and support before starting their ventures. This perhaps explains in part the general lack of awareness of by many businesses of the funding available despite the extensive marketing campaigns of both Welsh Government and the local authorities.

From the above, we recognise that going forward into recovery we need to tailor support more effectively towards this sector, to address the issues identified. However, due to GDPR, we are unable to use the details we hold for applicants to contact them directly.

We therefore plan to enhance our start-up offering to support a more business minded approach for new businesses from the outset by:

- Adding information to packs provided at our pre-start Enterprise Club meetings on how essential advice services and how important it is to attend events such as Welsh Government's "Taking the Plunge" business start-up course before launching their business.
- Making it a requirement for our Innov8 Start-up Grant that applicants must have a business bank account.
- Undertake more frequent monitoring of our new start-ups (especially throughout the first 18 months) to check on progress, business processes used, etc. and advise accordingly.
- Hold drop-in advice and information sessions across the County (including our valley communities) to engage with existing businesses based from home.

- Work more closely with community-based organisations to promote the services the Economic Development Team can offer home-based businesses.

Has the support made a difference to our local businesses?

In a broader context, many businesses have adapted to the ongoing circumstances, and have been actively seeking new ways to generate an income and maintain their businesses.

While there is no doubt that many of these changes will become permanent, we do anticipate that demand for investment funding will grow considerably over the coming years, as to achieve longer-term sustainability businesses will need to think more innovatively.

The following are a few of the comments we received from successful applicants.

‘To “whom it may concern”, I would like to thank you for the support you have given and accepting my application for the start-up grant.

It is very much appreciated.’ Sylvia

‘Thank you so much. This means so much in this stressful time. Allison’

Thank you so much for letting me know that my application for the Restriction Business grant from Neath Port Talbot Council, has been approved.

It really will be a big help in sustaining my business in these difficult times and please pass on my sincere thanks to all involved.

Warm regards and best wishes, Brian’

Hopefully things will get back to normal soon. Laura'

'I just wanted to say a MASSIVE Thank You for approving my application for the discretionary grant. It is very, very much needed and very much appreciated at this very challenging time. Thank you once again.

Kind regards, Christian.'

'Thank you very much for all your help.

This is such great news! If you are ever in one of the markets, come over for a bag on us!

Thank you again, James.'

'That is fantastic news! Thank you so much for accepting my application. I'm so appreciative of the grant, and thank you for offering continued support to us and little businesses.

Result of Recent Audits

Internal Audit approached the Team on 23rd March 2021 and advised that the Firebreak Lockdown Grant was to be audited. As background, we provided a list of applicants; information on the grant criteria; what checks were in place to confirm eligibility; details of our processes; a sample checklist and minutes of the funding panel meetings.

On 12th April, we provided a sample of 45 applications (35 were successful applicants and 10 unsuccessful). For each, Audit required all information including any emails where the sample's application form was incomplete.

The Executive Summary of the Audit Report stated:

'Testing undertaken on 45 grant applications made in relation to the Lockdown Discretionary confirmed that 35 successful grant applications and 10 declined applications had been administered in line with Welsh Government Guidance.

A further 100 grant applications were checked against the Academy NNDR system to determine whether eligibility for the Lockdown Discretionary Grant was met. In all successful (95) cases eligibility was met, and all unsuccessful (5) cases all were correctly declined due to lack of eligibility.

Following this audit substantial assurance can be given that robust controls were in place for the administration of this grant.'

Following on from this, the Business Start Up Grant was audited in May/June. As previously, we provided all relevant background information on the grant and our processes. The sample was 35 applications (15 successful applications and 20 unsuccessful).

The information required this time included application forms; acceptance emails; copy of the applicants ID, bank statements and proof of trading. For clarity, we provided additional relevant information for individual applicants, as appropriate. We submitted these between 25th May and 10th June.

Audit requested some additional documents, which we submitted.

The Executive Summary of the Audit Report stated:

'Testing was undertaken on 15 successful and 20 unsuccessful grant applications made in relation to the Start Up Grant. In all instances tested the applications had been administered in line with Welsh Government Guidance.

Following this audit substantial assurance can be given that robust controls were in place for the administration of this grant.'

The Wales Audit Office requested information on one applicant to the Restrictions Business Fund. Similarly, we provided background narrative on our processes and the sample evidence requested. As of yet, no feedback has been received.

Moving towards Recovery

During the processing of the last round of grant funding, Welsh Government said that this would be the last of their emergency funds. However, with cases continuing to rise further lockdowns and/or restrictions and support for those businesses affected should not be ruled out.

Despite this, discussions have started regarding Local Authorities processing a business development grant to support businesses as they recover from the impact of the pandemic. Welsh Government is working towards a launch date in late September, although this will depend on rates of infection remaining within manageable levels and no further restrictions or short-term “Firebreak” lockdown being enforced.

There will be a two-stage application process, the first being a detailed Expression of Interest to confirm eligibility and then the application stage will assess the viability of the business and proposed project.

Cabinet has recently agreed additional internal funding of £260,000 to support local businesses recovering from the pandemic and seeking to make investment to promote growth.

Draft processes, criteria, application and assessment documentation have been prepared and will be finalised once details and the timing of the launch of the Welsh Government scheme are available.

We understand that the Welsh Government grant will be open to all businesses and the local authorities will be given the responsibility of processing applications from micro businesses employing 1-9 staff.

A briefing paper has been prepared for Members suggesting that we focus our efforts on firstly, promoting this Welsh Government grant and encouraging businesses to submit applications for relevant projects, before launching the Neath Port Talbot Growth and Investment Fund in January 2022.

Financial Impacts:

No implications.

Integrated Impact Assessment:

A first stage impact assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016.

The first stage assessment has indicated that a more in-depth assessment is not required. A summary is included below and the full assessment is enclosed at Appendix 3.

The processing of Covid-19 financial assistance to local businesses throughout the pandemic enabled many to survive a very difficult trading period. It helped improve the long-term sustainability of local businesses and their ability to continue employing their staff thereby preventing large scale redundancies and a substantial increase in unemployment rates. The scheme also had a positive effect on the local economy in terms of creating a more prosperous and resilient environment.

Valleys Communities Impacts:

Applications have been received from businesses across many of our valley communities. Once the final spreadsheets, amalgamating information from all the schemes processed are finalised for Welsh Government, we will be in a position to provide a breakdown of the support provided.

Workforce Impacts:

No implications.

Legal Impacts:

No implications.

Risk Management Impacts:

No implications.

Consultation:

There is no requirement for external consultation on this item.

Recommendations:

Having given due regard to the first stage Integrated Impact Assessment, that the report be noted.

Reasons for Proposed Decision:

N/A

Implementation of Decision:

N/A

Appendices:

Appendix 1 – Grants Processed.

Appendix 2 – Additional Details.

Appendix 3 – Integrated Impact Assessment.

List of Background Papers:

None.

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Appendix 1 – Grants Processed

Appendix 1 provides details on the individual grants processed, including their target audience, key criteria and time-scales.

Common criteria for all the grants were that businesses:

- were based in Wales; and
- provided the main source of income, i.e. at least 50% for the owner.

There were specific turnover criteria for sole traders and partnerships and for limited companies.

| GRANT | CRITERIA | GRANT OPENED | PROCESSING COMPLETED | GRANT VALUE |
|-----------------------|--|---|----------------------|-------------|
| Start Up Grant | <ul style="list-style-type: none"> • New businesses started 1st April 2019 to 1st March 2020. • Turnover of <£50,000 • Experienced a >50% drop in turnover between April and June 2020. • | 29 th June 2020 First come first served until fully committed | 9th September 2020 | £2,500 |
| Freelancer 1 | Freelance professionals working in: <ul style="list-style-type: none"> - The Arts - Creative industries - Arts & Heritage Events - Culture & Heritage Evidential requirements: <ul style="list-style-type: none"> - Proof of ID and address | 5 th October 2020 Closed 24th November 2020 | 14th December | £2,500 |

| | | | | |
|-----------------------------------|--|--|--------------------|-----------------------------|
| | <ul style="list-style-type: none"> - Proof of work and/or work cancelled between April 2019 and July 2020 - Bank statement - UTR number, pay slip or P60 - CV or LinkedIn account | | | |
| Firebreak Lockdown | <ul style="list-style-type: none"> • Businesses trading prior to 1st September 2020 • Forced to close, or • Demonstrate an 80% drop in turnover for that period <p>All above plus:</p> <ul style="list-style-type: none"> • Been subject to local restrictions for three weeks or more up to 23rd October 2020 | <p>28th October</p> <p>Closed 20th November</p> <p>First come first served</p> | 17th December | <p>£1,500</p> <p>£2,000</p> |
| Restrictions Business Fund | <ul style="list-style-type: none"> • Businesses in all sectors trading prior to 1st September 2020 • Forced to close, OR • Experienced a drop in turnover of over 40% as a direct result of the restrictions introduced in Wales from Friday 4th December <p>Additional criteria applied to self-catering accommodation:</p> | <p>21st December 2020</p> <p>Closed 7th February 2021</p> <p>First come first served</p> | 12th February 2021 | £2,000 |

| | | | | |
|--|---|--|-----------------------|--------|
| | <ul style="list-style-type: none"> • Produce two years trading accounts immediately prior to the current financial year of the business • Have been let for at least 140 days in the financial year 2019-20 • Must be primary source of income for the owner i.e. at least 50% | | | |
| Extended Restrictions Business Fund | <ul style="list-style-type: none"> • Businesses in all sectors trading prior to 1st October 2020 • Forced to close, OR • Experienced a drop in turnover of over 40% as a direct result of the restrictions introduced in Wales from Friday 4th December and extended on 29th January 2021 <p>Additional criteria applied to self-catering accommodation:</p> <ul style="list-style-type: none"> • Produce two years trading accounts immediately prior to the current financial year of the business • Have been let for at least 140 days in the financial year 2019-20 | <p>15th February 2021</p> <p>Closed 11th March 2021</p> <p>First come first served</p> | 9 th April | £2,000 |

| | | | | |
|---------------------|---|---|----------------|--------|
| | <ul style="list-style-type: none"> • Must be primary source of income for the owner i.e. at least 50% | | | |
| Freelancer 2 | <ul style="list-style-type: none"> • Freelancers who received the previous round of Freelancer funding and who did not apply for, or were ineligible for discretionary grants to date. <p>Automatic payment on receipt of completed award letter confirming self-declaration statements and signed.</p> | <p>16th February 2021</p> <p>Closed 2nd March 2021</p> <p>Automatic payment on confirmation of eligibility.</p> | 2nd March 2021 | £2,500 |
| Freelancer 3 | <ul style="list-style-type: none"> • Freelance professionals working in: <ul style="list-style-type: none"> - The Arts - Creative industries - Arts & Heritage Events - Culture & Heritage <p>Remain affected by the Covid-19 outbreak.</p> <ul style="list-style-type: none"> • Total Covid financial support i.e. grants, SEISS, JRS for April 2020-March 2021 did not exceed 80% of income for April 2019-March 2020. | <p>17th May</p> <p>Closed 1st June</p> | 23rd June 2021 | £2,500 |

| | | | | |
|-----------------------------------|---|--|------------------------|---|
| | <p>Evidential requirements:</p> <ul style="list-style-type: none"> - Proof of ID and address - Income 2019-2020 - Bank statements January-March 2021 - UTR number, pay slip or P60 - CV or LinkedIn account | | | |
| Economic Resilience Fund 4 | <ul style="list-style-type: none"> • Businesses in sectors or supplying sectors still impacted by the ongoing restrictions • Trading prior to 4th December 2020 • Forced to remain closed by the ongoing restrictions between 1st May and 30th June 2021 • Unable to open indoors between 1st May and 17th May 2021 • A wedding/events venue with restricted capacity of 30 (but can accommodate greater number in normal times) • A supply chain business generating 60% or more of its turnover from businesses meeting the above • All had to demonstrate a reduction in turnover of 60% or | <p>1st June 2021</p> <p>Closed 30th June</p> | <p>2nd August 2021</p> | <p>£2,500-£10,000</p> <p>Dependent on business activity, specific circumstances and number of full-time equivalent staff employed</p> |

| | | | | |
|-----------------------------------|---|--|------------------|--|
| | more in May and June 2021 compared with May and June 2019, directly attributable to the ongoing restrictions | | | |
| Economic Resilience Fund 5 | <ul style="list-style-type: none"> • Businesses in sectors or supplying sectors still impacted by the ongoing restrictions • Trading prior to 4th December 2020 • Forced to remain closed by the ongoing restrictions between 1st July and 31st August 2021 and experienced a drop in turnover >60% in the period as a result of the ongoing restrictions • Dedicated events space/attraction impacted by social distancing restrictions and experienced a drop in turnover >60% in the period as a result of the ongoing restrictions • Other businesses with >60% drop in turnover in the period as a result of the ongoing restrictions since 1st May and were unable to open indoors between 1st May and 17th May 2021 | 26th July 2021 Closed 9th August 2021 | 17th August 2021 | £1,000-£10,000 Dependent on business activity, specific circumstances and number of full-time equivalent staff employed |

| | | | | |
|--|--|--|--|--|
| | <ul style="list-style-type: none">• A supply chain business generating 60% or more of its turnover from businesses meeting the above and experienced a drop in turnover >60% in the period. | | | |
|--|--|--|--|--|

APPENDIX 2 – ADDITIONAL INFORMATION

This provides the detail on areas briefly touched on in the body of the report. These are:

- Working relationship with Welsh Government.
- Internal processes - outlines the significant work involved in developing and setting up the necessary internal processes and the issues faced by the Team.
- Applicants – the types of businesses supported and how the personal challenges they faced influenced the processing of their applications.
- Grant administration and Welsh Government Returns - ongoing work required.

Working relationship with Welsh Government

As noted, we began working with Welsh Government in June 2020, and went on to deliver nine discretionary grants over the next 14 months. The WLGA were instrumental in supporting the Local Authority officers and co-ordinating contact between the two parties.

Prior to the launch of each grant, regular meetings between the relevant Welsh Government Officers and LA Officers responsible for delivering the grants took place to:

- Inform the LAs of the reasoning for and criteria of the proposed grant scheme, time-scales, application process, etc.
- Discuss and agree application forms and guidance notes.
- Respond to any questions arising.

During the grant processing period, the meetings continued to:

- Discuss specific application queries, so seeking to ensure consistency pan Wales.
- Monitoring volumes and types of applications.
- Respond to any general questions arising.

For example, Welsh Government's Guidance Notes advised applicants that if their application form was incomplete, or the evidence required not

submitted it would be declined. In light of the circumstances in which individuals were making an application, officers felt that this would be extremely unfair and following discussions, Welsh Government left it up to individual authorities to decide what action to take.

Consequently, the approach of our Economic Development Team was to ***make every effort to support all applicants so they had the best opportunity of success.***

Again, for one grant, the Welsh Government changed their view on the eligibility of an applicant group. This meant that we had to reconsider applications, going back to the applicants for additional information in order to award the grant.

The regular communication between LA Officers was invaluable in agreeing a common approach outside of the meetings with Welsh Government.

For many years, the working relationship between relevant Welsh Government Officers and Economic Development Officers at Local Authority level has been extremely limited. Welsh Government chose to deliver business support through its Business Wales service, contracted out to suppliers. Events of the last 18 months clearly showed that it could not deliver the support businesses needed at this time, without engaging with Local Authorities.

As noted, this is set to continue with the delivery of a business recovery grant that Welsh Government is planning. Ideally, it will continue beyond the demands of the current situation and the value of the local support to businesses delivered by Councils across Wales recognised.

Internal Processes

When the First Minister made any announcement of new support for businesses, we always had a short lead-time to undertake the necessary internal preparations. In most cases, this was less than a week.

The resulting demand on our IT Support Services meant that we were only able to process two of the nine grants via an electronic application form linked to our business database. Applications for the remaining seven grants were received as e-mail attachments and this involved a lot more administration for the team.

All grants were promoted via our website and across the different social media platforms.

Throughout the Team adopted a consistent approach for processing applications:

- Compiled a Log of applicants to include a diary of key events – this varied depending on the nature of the grant processed. Many of the grants were on a first come first served basis.
- Developed a checklist covering key criteria, information requirements and wider eligibility criteria against which to confirm submission and assess applications.
- At regular funding panel meetings, we reviewed assessed applications. This enabled discussion, particularly in the early days of each grant, to agree a consistent approach to the interpretation of WG's criteria and other issues identified. Thus, decision-making was collective rather than the onus being on an individual officer's interpretation.
- Minutes were prepared and signed off for each funding panel before notifying applicants of the outcome.
- Transcribing of applicant bank details from an application form to a spreadsheet for Finance, was completed by one officer and checked by a second before being sent to Finance for payment.

Established relationships with the teams in Licensing, Environmental Health & Trading Standards, supported us to ensure that applicants held the necessary licensing for their activities and that we did not support any business that had infringed Covid regulations.

The Team worked well together to prepare the above and complete the processing of the grants whilst getting to grips with working from home. Additional members of the Economic Development Team supported delivery by attending the funding panel meetings, marketing and promoting the grants, liaising with unsuccessful applicants and adjudicating on their case, and preparing and checking payment details for successful applicants.

As noted in the report, on four occasions, the Team were still processing the current grant as the next launched and thus had to manage the above preparations for the new grant, whilst still meeting the time constraints imposed for processing individual applications.

Applicants

The range of grants processed enabled the Economic Development Team to engage with many businesses that would not normally approach the service for support. The vast majority were businesses run from home including mobile hairdressers and beauticians, domestic trades, gardening services, on-line retail, taxi services, market traders, freelance musicians and singers, financial services, etc.

Individuals and business owners applying for the various funds were under significant financial pressure and uncertain whether their businesses would survive. A number also had responsibility for employees, adding to their concerns.

With many of the grants offered on a first come first served basis, the pressure to get an application in meant that applicants did not read the Guidance Notes and many applications were rushed and therefore incomplete. As noted earlier, Welsh Government took the advice of LA Officers and agreed that individual authorities adopt their own approach to this issue.

In Neath Port Talbot, we initially agreed to return the completed application and attach a copy of the Guidance Notes and ask the applicant to review and resubmit their application within 48 hours. However, this did not resolve the matter.

Therefore, we then replied to individuals and detailed the information missing from their application form and the required supporting evidence they needed to submit. Again a 48-hour deadline for return given. Regardless of this approach, applicants rarely submitted the missing information in full, or submitted the wrong information. Thus, officers were often engaged in protracted communications to give the applicant the best opportunity to make a successful application. As a result, we dealt with over 6,000 emails as well as telephone conversations.

As restrictions began to ease, the criteria for the grants became stricter and necessitated more evidence from applicants. This again increased the extent of our engagement with them to confirm their eligibility.

The reasons for the tightening of the criteria by Welsh Government were twofold. Firstly, they recognised that businesses were being over supported i.e. had received more in support than they would normally earn and secondly, to focus the funding on those businesses and sectors that continued to be most adversely affected by the ongoing restrictions.

As noted previously, we were often dealing with individuals in or facing significant financial difficulty. This was particularly acute at the outset with the UK lockdown, when businesses were forced to close and did not know when they would be able to open again.

We found that many lifestyle type businesses operate on a week-to-week basis, meaning that without support, they would not be able to meet personal living expenses. Early and prompt delivery of grant support was thus critical for the survival of many.

Grant Administration and Welsh Government Returns

With the overlapping of the timing of the announcement and launch of the grants, we have been unable to complete the administration of applicants' submissions, as we would ideally like. Other than the two online applications linked to our client database, all other grant application documentation has been submitted by email as attachments.

We have ensured that the applicant emails are secure and are gradually saving the relevant documentation to client folders on our shared drive. Once complete, these can be password protected.

As the processing of the applications was on behalf of Welsh Government, their privacy notice applied.

We have to provide returns for both Welsh and UK Governments. Welsh Government require a spreadsheet for each grant populated for all fields in the application form, for both successful and unsuccessful applications. Whilst the online applications make this easy to do, the spreadsheets for the other grants have to be populated manually. This will be a significant and time-consuming task, which will take many months to complete.

Integrated Impact Assessment - First Stage

It is essential that all initiatives undergo a first stage impact assessment to identify relevance to equalities and the Welsh language as well as an evaluation of how the proposal has taken into account the sustainable development principle (the five ways of working); an incorrect assessment could ultimately be open to legal challenge.

The first stage is to carry out a short assessment to help determine the need to undertake a more in-depth analysis (the second stage).

Relevance will depend not only on the number of people/service users affected, but also the significance of the effect on them.

When completing the first step you must have regard to the following:

- Does the initiative relate to an area where important equality issues have been, or are likely to be, raised? (For example, funding for services to assist people who are victims of rape/sexual violence or individuals with particular care need; disabled people's access to public transport; the gender pay gap; racist or homophobic bullying in schools)
- Is there a significant potential for reducing inequalities, or improving outcomes? (For example, increasing recruitment opportunities for disabled people).
- Does the initiative relate to instances where opportunities to use the Welsh language are likely to be affected or where the language is likely to be treated less favourably? (For example, increase the number of Welsh speakers moving from/to a certain area; closing specific Welsh language services or put those services at risk services;
- Does the initiative relate to the improvement of economic, social, environmental and cultural well-being? To what extent does the initiative prevent things getting worse? (For example, funding for services to assist in cultural well-being; changes in policies that promote independence and/or assist carers)

1. Provide a description and summary of the initiative.

Identify which service area and directorate has responsibility for the initiative.

2. Identify who will be affected by the initiative.

If you answer **Yes** to service users, staff or wider community continue with the first stage of the assessment

If you answer **No** to service users, staff or wider community or **Yes** to 'Internal administrative process only', go to **Question 5 – sustainable development principle**.

3. Using relevant and appropriate information and data that is available to you think about what impact there could be on people who share protected characteristics; whether they are service users, staff or the wider community.

Some things to consider include:

- transport issues
- accessibility
- customer service
- cultural sensitivity
- financial implications
- loss of jobs

Definitions of impacts (either positive or negative):

- High – likely to be highly affected by the initiative
- Medium - likely to be affected in some way
- Low - likely to be affected by the initiative in a small way
- Don't know - the potential impact is unknown

You **must** provide reasons, and indicate what evidence you used, in coming to your decision.

4. Using relevant and appropriate information and data that is available, think about what impact there could be on opportunities to use the Welsh language and in treating the language no less favourably than English.

Definitions of impacts are the same as in **Question 3**.

The classification 'Don't Know' should be categorised as 'High Impact' in both questions 3 & 4.

5. Consider how the initiative has embraced the sustainable development principle in accordance with the Section 7c of the Well-being of Future Generations Act 2015.

Give details of the initiative in relation to the 5 ways of working:

- **Long term** - how the initiative supports the long term well-being of people
- **Integration** - how the initiative impacts upon our wellbeing objectives
- **Involvement** - how people have been involved in developing the initiative
- **Collaboration** - how we have worked with other services/organisations to find shared sustainable solutions;
- **Prevention** - how the initiative will prevent problems occurring or getting worse

6. The most appropriate statement must be selected (and the relevant box ticked) based on the first stage of the assessment and an explanation of how you have arrived at this decision must be given.

In addition a summary of the how the initiative has embraced the sustainable development principle must also be included.

Where the first stage of the assessment indicates that a more in-depth analysis is required the second stage of the assessment will need to be completed and this will need to be started immediately.

A first stage assessment must be included as a background paper for all Cabinet/Cabinet Board/ Scrutiny Committee Reports.

Where the first stage assessment is completed by an accountable manager it must be signed off by a Head of Service/Director.

Appendix 3

Impact Assessment - First Stage

1. Details of the initiative

| |
|--|
| Initiative description and summary: The processing of Covid-19 financial assistance to local businesses, on behalf of Welsh Government, throughout the pandemic including lockdown periods and times of restrictive trading (March 2020 to August 2021). |
| Service Area: Regeneration & Economic Development |
| Directorate: Environment |

2. Does the initiative affect:

| | Yes | No |
|--------------------------------------|-----|----|
| Service users (local businesses) | X | |
| Staff | | X |
| Wider community | X | |
| Internal administrative process only | | X |

3. Does the initiative impact on people because of their:

| | Yes | No | None/ Negligible | Don't Know | Impact H/M/L | Reasons for your decision (including evidence)/How might it impact? |
|----------------------------|-----|----|---------------------|---------------|-----------------|--|
| Age | | X | | | | Activities focused on processing grant payment to local businesses affected by Covid lockdown and/or restrictions to their ability to trade. |
| Disability | | X | | | | As above |
| Gender Reassignment | | X | | | | As above |
| Marriage/Civil Partnership | | X | | | | As above |
| Pregnancy/Maternity | | X | | | | As above |

| | | | | | | |
|--------------------|--|---|--|--|--|----------|
| Race | | X | | | | As above |
| Religion/Belief | | X | | | | As above |
| Sex | | X | | | | As above |
| Sexual orientation | | X | | | | As above |

4. Does the initiative impact on:

| | Yes | No | None/ Negligible | Don't know | Impact H/M/L | Reasons for your decision (including evidence used) / How might it impact? |
|---|-----|----|---------------------|---------------|-----------------|--|
| People's opportunities to use the Welsh language | | X | | | | Activities focused on processing grant payment to local businesses affected by Covid lockdown and/or restrictions to their ability to trade. |
| Treating the Welsh language no less favourably than English | | X | | | | As above |

5. Does the initiative impact on biodiversity:

| | Yes | No | None/ Negligible | Don't know | Impact H/M/L | Reasons for your decision (including evidence) / How might it impact? |
|--------------------------------------|-----|----|---------------------|---------------|-----------------|--|
| To maintain and enhance biodiversity | | X | | | | Activities focused on processing grant payment to local businesses affected by Covid lockdown and/or restrictions to their ability to trade. |
| To promote the resilience of | | X | | | | Activities focused on processing grant payment to local businesses affected by Covid lockdown and/or restrictions to |

| | | | | | | |
|---|--|--|--|--|--|-------------------------|
| ecosystems, i.e. supporting protection of the wider environment, such as air quality, flood alleviation, etc. | | | | | | their ability to trade. |
|---|--|--|--|--|--|-------------------------|

6. Does the initiative embrace the sustainable development principle (5 ways of working):

| | Yes | No | Details |
|--|-----|----|--|
| Long term - how the initiative supports the long term well-being of people | X | | Grant payments enabled local businesses to continue to survive throughout the pandemic thereby improving their long-term sustainability and the continued employment of their employees. |
| Integration - how the initiative impacts upon our wellbeing objectives | X | | Financial support impacts on the sustainability of local businesses and helps create a more prosperous and resilient local economy. |
| Involvement - how people have been involved in developing the initiative | | X | The scheme was developed by the Welsh Government. |
| Collaboration - how we have worked with other services/organisations to find shared sustainable solutions | X | | The grants were delivered in collaboration with Welsh Government and WLGA. Experiences and examples of best practice were shared with all other 22 local authorities at monthly virtual meetings. |
| Prevention - how the initiative will prevent problems occurring or getting worse | X | | The grant payments enabled local businesses to survive throughout the lockdown periods. In addition, the furlough scheme helped prevent large scale redundancies and a substantial increase in unemployment rates. |

7. Declaration - based on above assessment (tick as appropriate):

| | |
|---|---|
| A full impact assessment (second stage) is not required | √ |
| Reasons for this conclusion | |
| <p>The processing of Covid-19 financial assistance to local businesses throughout the pandemic enabled many to survive a very difficult trading period. It helped improve the long-term sustainability of local businesses and their ability to continue employing their staff thereby preventing large scale redundancies and a substantial increase in unemployment rates. The scheme also had a positive effect on the local economy in terms of creating a more prosperous and resilient environment.</p> | |

| | |
|--|--|
| A full impact assessment (second stage) is required | |
| Reasons for this conclusion | |
| | |

| | Name | Position | Date |
|---------------|---------------------|-------------------------------------|-------------------|
| Completed by | Julie Davies | Business Support Coordinator | 13.10.2021 |
| Signed off by | Simon Brennan | Head of Service/Director | 14.10.2021 |