
Report to Emergency Decision Making Forum

Date of Meeting: 27 March 2020

Subject: Assistance for small local businesses, charities and voluntary groups

Report by: Emma Fyvie

1.0 Issue

- 1.1. There are a number of Council owned commercial properties across Clackmannanshire which are currently rented out to small businesses, charities and voluntary groups. There is a risk that these groups will not be able to pay their rent to the Council.

2.0 Options and Impacts

2.1. *Option 1*

Retain current position

Impact

We may continue to receive some of the rent due.

Some of the businesses, charities or groups may no longer be financially viable. Small businesses may be most impacted by a short term fall in business turnover and less able to withstand the consequent financial pressures. Communities may suffer from the loss of the business or service. This is particularly so for groups delivering community benefits. There could be a negative impact on employment in the area. The Council may have increased rent arrears. There would be a cost associated with pursuing arrears. There is a reputational issue for the Council. A number of tenants have already expressed their concern about being able to pay rent.

Option 2

Agree a period of rent free tenancy for small businesses, charities and community groups (30 have been identified) for the period 1 April 2020 to 30 June 2020.

Impact

Loss of revenue. Anticipated to be around £13,883 per calendar month of rental income. Officers are currently working to identify how this shortfall in income would be addressed and an update will be provided at the meeting.

May ensure these tenants continue to be economically viable. Provides support for those tenants identified by the Council as most likely to need assistance.

Options 3

Defer collection of rent for small businesses, charities and community groups (30 have been identified) for the period 1 April 2020 to 30 June 2020 until at the end of the current financial year

Impact

Short term loss of income. Increased rent for tenants for the remaining months of the year or a larger payment at the end of the year.

Same benefits as articulated above for option 2.

3.0 Recommendations

- 3.1. It is recommended that the Emergency Decision Making Forum agree option 3.

4.0 Resource Implications

4.1. Financial Details

- 4.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

- 4.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes X

5.0 Exempt Reports

- 5.1. Is this report exempt? Yes (please detail the reasons for exemption below) No X

6.0 Legality

6.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes X

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Emma Fyvie	Senior Manager – Development	