

Restrictions Business Fund NDR Grant

PURPOSE OF THE GRANT

The purpose of this grant scheme is to support businesses with their cash flow and to help them survive the economic consequences of the **additional restrictions** introduced on the 4th December to control the spread of Covid-19.

Unlike previous Covid-19 NDR linked grant schemes, the schemes being introduced in December 2020 (and the subject of this guidance) are more targeted in nature to provide direct support principally to hospitality businesses. The grant will be available to hospitality, tourism and leisure businesses and their supply chains and some retail businesses that can demonstrate a material impact to their trading activity as a result of the additional restrictions introduced.

As with previous schemes, these new grants will complement UK Government schemes, with employment costs being met predominantly through the Job Retention Support Scheme (JRS). A further sector specific ERF grant scheme that will be administered directly by the Welsh Government, is being introduced in January 2021.

The grant will be open to applications for hospitality business during December 2020 and for other eligible businesses in early January 2021.

BUSINESS WALES

Business Wales provides tailored support to start-up, micro and small and medium sized businesses in Wales. The service can help you understand what your needs are and provide tailored support packages including access to online tools, workshops, specialist advisers and mentors. In addition to working with you on a business diagnostic and action plan, our advisers can also provide targeted financial advice and access other support that you might benefit from.

To find out more, please visit www.businesswales.gov.wales.

WHO CAN APPLY & HOW MUCH FOR?

The NDR linked grant schemes being introduced by the Welsh Ministers for the December 2020 – January 2021 restrictions period are as follows.

i) Grant A:

A **£3,000** cash grant payment for hospitality businesses with Small Business Rate Relief (SBRR) qualifying hereditaments with a rateable value of £12,000 or less. Local authorities will process this £3,000 grant payment for qualifying hospitality businesses that received an SBRR linked grant via the recent Firebreak Lockdown scheme without need for any further application processes to be introduced.

Qualifying hospitality businesses that **did not submit** their details for an NDR grant during the Firebreak will need to complete a short registration form (see the section on 'How to Apply' for further information).

Grant A will be available to hospitality, tourism and leisure businesses and their supply chains and retail businesses with qualifying SBRR properties that can evidence (on a self-declared basis) a greater than 40% reduction in turnover **as a direct result of the new restrictions**. Local authorities will open the registration process for hospitality businesses during December and for other eligible businesses in early January.

Businesses applying in the January window will be asked to self-declare, via a short registration form whether they had a 40% reduction in turnover for December 2020 as compared to December 2019 or as compared to turnover for September 2020 if not trading in December 2019.

To qualify for this grant, businesses will occupy a hereditament with a rateable value of £12,000 or less.

For businesses needing to register, their hereditament must have been on the NDR rating list as of the 1st September 2020 and the ratepayer needs to have been in occupation of the property as of the 30th November 2020.

The multiple property restriction applied to the Small Business Rates Relief scheme applies to this grant. Therefore the same ratepayer may only receive the grant for a maximum of two properties in each local authority.

Grant A will also apply to ratepayers eligible for charitable relief and Community Amateur Sports Clubs (CASC) relief, operating in the leisure and hospitality sectors occupying properties with a rateable value of up to £12,000. Local authorities have discretion to provide grants to not-for-profit bodies they consider to be operating for charitable purposes but aren't currently receiving charitable relief or CASC relief. This discretion will only apply to not-for-profit organisations who are in receipt of or have entitlement to discretionary rates relief and operate in the leisure or hospitality sectors.

ii) Grant B:

A **£5,000** cash grant payment for hospitality businesses occupying hereditaments with a rateable value between £12,001 and £51,000. Local authorities will process this £5,000 grant payment for qualifying hospitality businesses that received a £5,000 NDR linked grant via the recent Firebreak Lockdown scheme without need for any further application processes to be introduced.

Qualifying hospitality businesses **that did not submit** their details for an NDR grant during the Firebreak will need to complete a short registration form which will be made available during December 2020.

Grant B will be available to hospitality, tourism and leisure businesses and their supply chains and retail businesses with rateable values of between £12,001 and £51,000 that can evidence (on a self-declared basis) greater than 40% reduction in turnover **as a direct result of new restrictions**. Local authorities will open the registration process for hospitality businesses during December and for other eligible businesses in early January. Businesses applying in the January window will be asked to self-declare, via a short registration form whether they had a 40% reduction in turnover for December 2020 as compared to December 2019 or as compared to turnover for September 2020 if not trading in December 2019.

For businesses needing to register, their hereditament must have been on the NDR rating list as of the 1st September 2020 and the ratepayer needs to have been in occupation of the property as of the 30th November 2020.

The grant is also available to not-for-profit organisations occupying eligible hospitality and leisure properties.

iii) Grant C:

A **£5,000** cash grant payment for hospitality businesses occupying hereditaments with a rateable value of £51,001 to £150,000. The applicant's hereditament must have been on

the NDR rating list as of the 1st September 2020 and the ratepayer needs to have been in occupation of the property as of the 30th November 2020.

Businesses will need to complete a short registration process which will be made available during December 2020.

Grant C will be available to hospitality, tourism and leisure businesses and their supply chains and retail businesses with rateable values of between £51,001 and £150,000 that can evidence (on a self-declared basis) a greater than 40% reduction in turnover **as a direct result of new restrictions**. Local authorities will open the registration process for hospitality businesses during December and for other eligible businesses in early January. Businesses applying in the January window will be asked to self-declare, via a short registration form whether they had a 40% reduction in turnover for December 2020 as compared to December 2019 or as compared to turnover for September 2020 if not trading in December 2019.

The grant is also available to not-for-profit organisations occupying eligible hospitality properties.

In relation to self-catering accommodation, the same guidance as for previous NDR linked grant schemes applies, which is that properties will not be eligible for the grant unless the following criteria are met:

- The self-catering accommodation can produce two years of trading accounts directly preceding the current financial year of the business
- The self-catering accommodation must actually have been let for a period of 140 days or more in the financial year 2019-20
- The self-catering accommodation business must be the primary source of income for the owner (minimum threshold is 50%).

For self-catering properties, local authorities have full discretion to request and examine trading business accounts, booking lists and self-assessment tax returns submitted to HMRC for the financial year ending 31 March 2019 if additional evidence is required to demonstrate that this criteria is met.

In relation to gambling and gaming, arcades of the type that could be classified as amusements rather than gambling premises are considered leisure establishments and are eligible for the grants either via the SBRR route or, where the rateable value of the premises makes them eligible, for the larger £5,000 grant as leisure facilities.

Gaming establishments (as generally found in a city centre environment but potentially also located anywhere) that usually have limited access to people aged 18 and over and are a) not entitled to SBRR and b) where gambling rather than amusement is the predominant activity are not eligible for the retail, leisure and hospitality grant. The NDR scheme guidance for Retail, Leisure and Hospitality Rates Relief in Wales – 2020-21 explicitly excludes gambling hereditaments.

Businesses will **not be eligible** for any of these grants if they fall into one of the following categories:

- Enforced closure having infringed social-distancing rules. However, if improvements have been made and the business has been allowed to re-open then they may be eligible for the grant (subject to meeting the eligibility criteria).
- Businesses that chose to close but are not required to
- In liquidation or dissolved or in process of being struck off

- Breached State Aid limit

Restrictions Business Fund NDR Grant - HOW TO APPLY

Businesses can apply for the grant by accessing their Local Authority's Restrictions Business Fund website page. If eligible, you will be able to access the online application form, complete all the requested fields and submit your application. **Please note that all fields are mandatory** – failure to complete them will result in your application being rejected.

The grant will be open to applications for hospitality business during December 2020 and for other eligible businesses in early January 2021.

The Local Authority has absolute discretion on the duration and terms of the fund.

Restrictions Business Fund NDR Grant – GUIDANCE ON COMPLETING THE FORM

Section 1 – Information about your business

This part asks for information about your business. Please ensure the details in this section are accurate and complete. Application forms that have incomplete or inaccurate data will **not** be processed.

Section 2 – Your personal details

This part asks for information about you 'the applicant'.

Section 3 – Impact of Covid-19 on your business

Please confirm or otherwise if the statements on the application form apply to your business. Also businesses applying in January need to complete the table with your actual turnover figure for December 2020 and actual turnover for December 2019 (or the monthly turnover for September 2020 if not trading in December 2019).

Section 4 – Bank Details

Please provide your business bank account details as this information will be used to make the grant payment to you – please ensure these details are correct.

Businesses should be actively trading up to 4th December 2020 and **may** be required to provide evidence to demonstrate this.

Section 5 – State Aid

You must declare if you have received any State Aid (including De Minimis Aid) during the previous 3 fiscal years (i.e. current fiscal year and the previous two fiscal years) together with the amount received and details of the awarding body.

Please include all Covid-19 related financial support you have received since March 2020.

Examples could include Economic Resilience Fund, Start-up Grant, Non Domestic Rate Grant (round 1)

What is De Minimis Aid?

In order to minimise distortion of competition the European Commission sets limits on how much assistance can be given to organisations operating in a competitive market. Under EC Regulation 1407/2013 (de minimis Aid Regulation) as published in the Official Journal of the European Union 24 December 2013, the support provided is a de minimis aid.

There is a ceiling of €200,000 (€100,000 for undertakings in the road transport sector) for all de minimis aid provided to any one organisation over a three fiscal year period (i.e. the current fiscal year and the previous two fiscal years). Any de minimis aid provided to you under this service will be relevant.

Please advise us of any other de minimis aid received during the current and previous two fiscal years, as we need to check that our support added to that previously received, will not exceed the threshold of €200,000 (€100,000 for undertakings in the road transport sector) over the last 3 fiscal years. Aid includes not only grant but also assistance such as free or subsidised consultancy services, marketing advice etc. If you are in any doubt about whether previous assistance received classes as de minimis assistance please include it.

Section 6 - Declarations

Please read the declarations carefully and tick the boxes to confirm you accept and understand the declarations.

It is very important that you have read and understood this guidance document.

Restrictions Business Fund NDR Grant WHAT HAPPENS AFTER THE APPLICATION IS RECEIVED?

Receipt of your application will be acknowledged within 10 working days.

Decisions on applications will be made based on the information provided in the application form, associated evidence and information checks that are conducted from other business data sources. If any data is incomplete or incorrect or the evidence provided is insufficient we will **not** process the application and it will be rejected.

We aim to process grant finalised applications within 30 days of receipt.

Grants will be paid on the basis that 100% of the grant is paid up front.

If your application is unsuccessful, you will receive an email outlining the reason[s] for rejection. There is no appeal process.

Restrictions Business Fund NDR Grant - GRANT REPAYMENT

Applicants should note that the Local Authority may require repayment of the grant in full or part if evidence emerges that the applicant was not eligible for the Restrictions Business Fund NDR Grant.