

Restrictions Business Fund Discretionary Grant Guidance Notes

RESTRICTIONS BUSINESS FUND DISCRETIONARY GRANT - PURPOSE OF THE GRANT

The Welsh Government has opened the Restrictions Business Fund to support businesses and sole traders that have been **directly impacted** by the extended restrictions announced by the First Minister on 29th January 2021 needed to control the spread of Covid-19. The purpose of the grant is to provide businesses with cash flow support and to help them survive the economic consequences of the extended restrictions. Businesses can **only apply for one** discretionary fund grant under this extended scheme. Multiple applications from the same business are not allowed. However, this extended scheme is in addition to grant businesses may have received via the Discretionary Fund for the December 2020 / January 2021 period). The grant seeks to complement other Covid-19 response measures to support businesses, social enterprises and charitable organisations in Wales.

The Discretionary Grant is available to all businesses required to close or significantly impacted by the restrictions. Businesses that meet the eligibility criteria set out in this guidance document and are able to declare a 40% or more reduction in their estimated turnover for the extended restrictions period as compared to an equivalent restriction free trading period prior to 23rd March 2020 may apply.

The grant will be open to applications from 10 February 2021 and will close at a date to be specified by the local authority or when the fund has been fully committed.

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.

RESTRICTIONS BUSINESS FUND DISCRETIONARY GRANT – WHO CAN APPLY ?

Businesses that meet the following criteria **may** be eligible for the grant:

- Business was trading prior to 1st October 2020
- Businesses must be operating in Wales
- Businesses must have **one** or more of the following
 - HMRC Unique Taxpayer Reference (UTR) Number
 - VAT Registration Number or a VAT exemption certificate (if applicable)
 - Company Registration Number (if applicable)
 - Hackney carriage license number or private minicab licence number (if applicable)

- Business has been forced to close or has experienced a drop in turnover of >40% **as a direct result** of the restrictions introduced in Wales and subsequently extended
- Limited company with a turnover of between £10,000 and £50,000
- Sole traders / partnerships with a turnover less than £85,000
- The business must be your main source of income (>50%)
- Supported businesses must aim to maintain employment for 12 months
- Only one application per business
- Businesses should be actively trading up to the 4th December when the new restrictions were introduced in Wales and may be required to provide evidence to demonstrate this
- Businesses that are **eligible** for the Restrictions Business Fund NDR Grant are **not eligible** for this discretionary grant.
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- The total amount of Covid-19 support grants¹ (including any further award through this discretionary fund) cannot exceed 80% of an applicant's turnover for a typical year of trading.

RESTRICTIONS BUSINESS FUND DISCRETIONARY GRANT - HOW MUCH CAN YOU APPLY FOR?

A discretionary grant of £2,000 is available to assist businesses that have:

- Been forced to close as a result of the national restrictions put in place.
- The grant will also support businesses that **estimate** that the extended restrictions put in place will result in at least a 40% reduction in their turnover as compared to an equivalent restriction free trading period prior to 23rd March 2020. Those applicants that started trading after 23rd March 2020 will need to declare (and may be asked to demonstrate) a 40% reduction in turnover for an equivalent trading period since they commenced in business.
- In relation to self-catering accommodation, 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.

You are **not eligible** for this grant if:

¹ Covid-19 support grants might include Non-Domestic Rates Grants, local Discretionary Fund grants, the Economic Resilience Fund (various rounds) and Self-Employment Income Support Scheme (SEISS).

- You are eligible for, or have received, the Restrictions Business Fund NDR Grant from your Local Authority
- The business generates less than 50% of your income. The business must be your main source of income.
- You are eligible for a 'top-up' payment via the extended Freelancer Fund.
- You have been awarded a Welsh Government Children and Communities grant to cover operating losses between September 2020 and March 2021.
- The total amount of Covid-19 support grants you have received (including any further award through this discretionary fund) exceeds 80% of turnover for a typical year of trading.

Businesses need to confirm how the extended restrictions announced on 29th January by the First Minister will negatively affect their business.

All applications will be considered on an individual basis and payment of the grant is at the absolute discretion of the Local Authority within the criteria set out in this guidance”.

RESTRICTIONS BUSINESS FUND DISCRETIONARY GRANT - HOW TO APPLY

Businesses can apply for the grant by accessing their Local Authority's Restrictions Business Fund webpage. 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.

Applications will be dealt with on a **first come first served** basis. This **may** lead to applications not being appraised after they have been submitted if the fund is fully committed. Applicants will be notified of this by email.

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

RESTRICTIONS BUSINESS FUND DISCRETIONARY GRANT - GUIDANCE ON COMPLETING THE FORM

Section 1 – Your personal details

This part asks for information about you the applicant / business owner.

Section 2 – 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.

Businesses will **not be eligible** for the grant 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 subsidy threshold

- If the business your applying for is not your main source of income

Section 3 – Impact of the lockdown on your business

Please confirm or otherwise if the statement on the application form applies to your business. The local authority **may** request further information/documentation to evidence this estimated turnover reduction. Also in this section please tell us how the latest restrictions introduced during December will **directly** affect your business.

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.

The local authority may request your latest bank statements and further information to confirm your bank details and evidence trading activity.

Section 5 – Subsidy Control

If awarded a grant you must ensure that its use is compatible with the applicable agreements contained in the World Trade Organisation rules, UK-EU Trade and Cooperation Agreement, any Free Trade Agreement involving the UK, the Northern Ireland Protocol and any domestic legislation.

As part of your application, you must declare if you have received any subsidy (as defined in the UK-EU Trade and Cooperation Agreement) 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.

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

Section 6 - Declarations

Please read the declarations and tick the box to confirm you accept and understand them.

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

RESTRICTIONS BUSINESS FUND DISCRETIONARY 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 **finalised** grant applications within 30 working 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 DISCRETIONARY 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 Discretionary Grant.