

Local Lockdown Discretionary Grant Guidance Notes

This is a grant to provide financial assistance for businesses that are facing operational and financial challenges as a result of the local lockdown imposed in their local authority area as a result of COVID-19.

Local Lockdown Discretionary Fund - PURPOSE OF THE GRANT

The purpose of the grant is to support businesses with immediate cash flow support to help them survive the economic consequences of the local lockdown in their local authority area. The grant seeks to complement other Covid-19 response measures to support businesses, social enterprises and charitable organisations in Wales.

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.

Local Lockdown Discretionary Fund – WHO CAN APPLY ?

A grant of £1,500 is available to assist businesses in the retail, leisure and hospitality sectors that have been affected by the local lockdown imposed in their local authority areas as a result of Covid-19.

A grant of £1,000 is available to assist businesses in other sectors that have been affected by the local lockdown imposed in their local authority areas as a result of Covid-19 (see exceptions below).

These grants can only be claimed by businesses that meet the following criteria:

- Business was trading prior to 1st March 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
 - Company Registration Number
- Have experienced a drop in turnover greater than 40% as a result of the local lockdown imposed as a result of Covid-19
- Supported businesses must aim to maintain employment for 12 months
- Only one application per business

- Businesses will need to provide evidence of active trading up to date of local lockdown
 - Business bank statement to be provided

Businesses that are **eligible** for the Local Lockdown Non Domestic Rate Grant are **not eligible** for this discretionary grant.

Only businesses not liable to pay business rates **may be eligible** for this grant.

Local Lockdown Discretionary Grant - HOW MUCH CAN YOU APPLY FOR?

Grants of £1,000 and £1,500 are available for business, to support with immediate cash flow to help businesses remain solvent throughout the disrupted trading period. Businesses need to confirm that without the grant support the viability of the enterprise will be under threat, and outline why.

Eligible businesses will be able to apply for this grant when their local authority has been in lockdown for 28 days.

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”.

Local Lockdown Discretionary Fund - HOW TO APPLY

Businesses can apply for the grant by accessing your Local Authority’s Local Lockdown 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.

The Local Lockdown Discretionary Grant will open for applications 28 days after your local authority imposed local restrictions. It will be open for a period of three weeks or until the fund is fully committed. 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.

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

Local Lockdown 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 are able to continue to trade because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely (e.g. accountants, solicitors).
- Businesses that are forced to close/partially close for less than 3 weeks
- Businesses in adjacent areas not subject to local restrictions
- Businesses that chose to close but are not required to
- In liquidation or dissolved or in process of being struck off
- Still subject to national closure measures (e.g. nightclubs)
- Breached State Aid limit

De Minimis Aid

You must declare if you have received any 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 3 – Impact of the local lockdown on your business

We need to understand how the local lockdown in your local authority area has affected you and your business. Please complete this section in as much detail as possible so that we can understand why you need assistance from this grant fund.

You will need to demonstrate that your business has suffered disruption to the running of the business and you are facing operational and financial challenges as a result of the local lockdown. You will need to demonstrate a reduction in your turnover of 40% or more for the first three weeks of the lockdown period as compared to the same financial period last year. If you started trading between October 2019 and March 2020 you must demonstrate a 40% reduction for the first three weeks of lockdown in comparison to the three week period prior to lockdown. Please include any Covid-19 related grant that you have received for this period in your income figure for this financial year. The local authority may request bank statements and further information to evidence this reduction.

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. Please provide your latest business bank statement as evidence or a personal bank statement showing business transactions.

Section 5 - Declarations

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

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

Local Lockdown 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 grant applications within 30 days of receipt.

If applications are approved you will receive a grant offer by email notifying you of the award of the grant. Grant offers will be open for 14 days – if not accepted within this period the offer will be withdrawn. Applicants must accept the grant offer by e-mail before payment can be made.

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.

Local Lockdown 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 Local Lockdown Discretionary Grant.