

Local Lockdown Non Domestic Rate Grant Guidance Notes

Local Lockdown Non Domestic Rate Grant - PURPOSE OF THE GRANT

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.

The purpose of the grant is to support businesses with 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 Non Domestic Rate Grant – WHO CAN APPLY & HOW MUCH FOR?

Both grant schemes will only apply to properties that were on the NDR rating list on the 1st September 2020.

Grant 1

A grant of £1,500 is being made available for retail, leisure and hospitality businesses occupying properties with a rateable value of between £12,001 and £51,000.

The Welsh Government has produced the NDR scheme [guidance](#) for *Retail, Leisure and Hospitality Rates Relief in Wales – 2020-21* for expanded Covid-19 rates relief for occupied retail, leisure and hospitality properties.

The guidance lists the properties that will benefit from the relief as being wholly or mainly used:

- As shops, restaurants, cafes, drinking establishments, cinemas and live music venues
- For assembly and leisure

- As hotels, guest and boarding premises and self-catering accommodation.

The guidance provides a detailed list of the hereditaments that are eligible under the above categories. It also provides a list of hereditaments that are not eligible. The relief is available to not-for-profit organisations occupying eligible properties, e.g. charity shops, including those already eligible for partial mandatory relief on those properties.

Grant 2

A £1,000 grant to businesses eligible for small business rates relief (SBRR) in Wales with a rateable value of £12,000 or less (see exceptions below).

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.

AND

A £1,000 grant to all ratepayers eligible for charitable relief and Community Amateur Sports Clubs (CASC) relief, operating in the retail, leisure and hospitality sectors occupying properties with a rateable value of £12,000 or less. 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 retail, leisure or hospitality sectors.

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. This multiple property restriction also applies to charities, CASC and not for profit organisations.

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%).

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 cases where local authorities have decided

to request additional evidence and the evidence shows that the scheme criteria are not met, local authorities are required to withhold payment of grant.

Childcare providers that currently receive 100% Small Business Rates Relief may be eligible for the £1,000 grant.

Businesses in receipt of the Local Lockdown Discretionary Grant are ineligible for this grant.

Gaming

1. All businesses in receipt of small business rates relief (SBRR) may apply for the £1,000 grant. Smaller gaming/gambling establishments benefitting from SBRR could also be eligible for a grant.
2. 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 £1,500 grant as leisure facilities.
3. 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 either 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

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 grants is at the absolute discretion of the Local Authority within the criteria set out in this guidance”.

Local Lockdown Non Domestic Rate Grant - 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 Non Domestic Rate 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 Non Domestic Rate Grant - GUIDANCE ON COMPLETING THE FORM

Section 1 – Your personal details

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

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.

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 Covid-19 on your business

We need to understand how the Covid-19 outbreak 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 that 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 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.

Local Lockdown Non Domestic Rate 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.

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 Non Domestic Rate 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 Non Domestic Rate Grant