

# Lockdown Discretionary Grant Guidance Notes

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The Welsh Government have launched the Lockdown Discretionary Grant to help businesses survive the economic consequences of the national firebreak lockdown in Wales as a result of coronavirus (Covid-19).

## Lockdown Discretionary Grant - 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 national firebreak lockdown in Wales. This includes supporting the costs of retaining staff where appropriate. The grant seeks to complement other Covid-19 response measures to support businesses, social enterprises and charitable organisations in Wales.

**The grant will be open to applications from the 28<sup>th</sup> October and will close at 5pm on the 20th November 2020 or when the fund is 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](http://www.businesswales.gov.wales).

## Lockdown Discretionary – WHO CAN APPLY ?

Businesses that meet the following criteria may be eligible for the grants:

- Business was trading prior to 1st September 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 been forced to close or have experienced a drop in turnover of >80% as a result of the national lockdown in Wales
- Employing 49 or less employees
- 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 date of national firebreak lockdown and may be required to provide evidence to demonstrate this
- Businesses that are **eligible** for the Lockdown Non Domestic Rate Grant are **not eligible** for this discretionary grant.

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

**Grant amount 1** - a discretionary grant of £1,500 is available to assist businesses that have:

- Been forced to close (as defined by [the regulations](#)) as a result of the national firebreak lockdown
- **OR** are able to demonstrate that the national firebreak lockdown will result in at least a 80% reduction in their turnover for that period

**Grant amount 2** - a discretionary grant of £2,000 is available to assist businesses that have:

- Been forced to close (as defined by [the regulations](#)) as a result of the national firebreak lockdown
- **OR** are able to demonstrate that the national firebreak lockdown will result in at least a 80% reduction in their turnover for that period
- **AND** have been subject to local restrictions for 3 weeks or more up to the 23rd October and experienced at least a 50% reduction in their turnover for that period.

You cannot apply for Grant 1 and Grant 2.

Businesses need to confirm that without the grant support the viability of the enterprise will be under threat, and outline why.

**The grant will be open to applications from the 28<sup>th</sup> October and will close at 5pm on the 20<sup>th</sup> November 2020 or when the fund is fully committed.**

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”.

## Lockdown Discretionary Fund - HOW TO APPLY

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

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.

## 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 chose to close but are not required to
- In liquidation or dissolved or in process of being struck off
- Breached State Aid limit
- Business with 50 or more employees
- If this 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 statements on the application form apply to your business and detail how the local restrictions and national firebreak lockdown have/will impact 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 – Statement of State Aid Received**

You must declare if you have received any State 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 and tick the box to confirm you accept and understand them.

### Economic Contract - Calls to Action

The project should align to the ethos and principles of **ONE** or more of the Economic Action plans "Calls to action" These are:

1. **Decarbonisation** - we want to enable more of our business base to become carbon light or free. (For instance implementing energy saving processes and / or products).
2. **Innovation, Entrepreneurship and Headquarters** - we want to support businesses to innovate, introduce new products and services and succeed.
3. **Exports and Trade** - we want to proactively support trade with the UK and rest of the world.
4. **High Quality Employment, Skills Development, and Fair Work** – we want to improve our skills base and ensure that work is fairly rewarded.
5. **Automation, and Digitalisation** – we want to help our businesses to develop and introduce new products, automate and digitise to remain competitive in the fourth industrial age.

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

### 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 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.

### 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 Lockdown Discretionary Grant.