Start Up Grant

GUIDANCE NOTES

This is a grant to provide financial assistance for newly created self-employed businesses that are facing operational and financial challenges as a result of the COVID-19 outbreak.

START UP GRANT - PURPOSE OF THE GRANT

The purpose of the grant is to support newly created businesses with immediate cash flow support to help them survive the economic consequences of the Covid-19 outbreak. 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.

Successful applicants **must** register for support with the Business Wales service once the grant is awarded.

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

START UP GRANT – WHO CAN APPLY ?

A grant of £2,500 is available to assist newly created businesses that have been affected by the Covid-19 outbreak.

This grant can only be claimed by businesses that meet the following criteria:

- Started trading between 1st April 2019 and 1st March 2020
- Forecast annual turnover less than £50,000
- Not in receipt of the Self Employment Income Support Scheme, Coronavirus Job Retention Scheme, Economic Resilience Fund or the Business Rate Grant
- 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
    - Written correspondence confirming registration with HMRC
- Have experienced a drop in turnover greater than >50% as a result of the Covid-19 outbreak between April and June 2020
- Supported businesses must aim to maintain employment for 12 months
- Only one application per businesses
- Businesses will need to provide

- Proof of identification (one of the following)
    i. Current UK or EEA photocard driving licence
    ii. Current signed passport
    iii. Original Birth certificate

- Proof of business address (one of the following)
    i. Council tax statement
    ii. Utility bill
    iii. Written correspondence confirming registration with HMRC

- Evidence of active trading up to 17th March 2020
    i. Business bank statement to be provided

The grant is available to newly created businesses that are **not eligible** for the Business Rate Grant, the Self Employment Income Support Scheme, Coronavirus Job Retention Scheme or the Economic Resilience Fund.

Second home owners with short or long term tenancy agreements are **not eligible** for this grant.

START UP GRANT - HOW MUCH CAN YOU APPLY FOR?

A grant of £2,500 is available per 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.

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".

START UP GRANT - HOW TO APPLY

Businesses can apply for the grant by accessing the Economic Resilience Fund Eligibility Checker on the Business Wales website https://fundchecker.businesswales.gov.wales/. If eligible you will be directed to your local authority website where you will be able to access the online application form **or** you will be able to download the application form complete all the requested fields and email to wgstartupgrant@npt.gov.uk together with the required evidence documents.

Scanned documents and photos are acceptable forms of evidence for this purpose.

The Start Up Grant is open to applications from the 29th June 2020 until the fund is fully committed. 2000 grants are available pan Wales and 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.

START UP 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.

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 you are facing operational and financial challenges as a result of the COVID-19 outbreak. You will need to demonstrate a reduction in your turnover of 50% or more as evidenced through bank statements.

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.

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.

CHECKLIST

Your completed application form must be accompanied by proof of identification, proof of address and proof of active trading as detailed on pages 2 of this document.

START UP 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 in 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.

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

Applicants must accept the grant offer by e-mail before payment can be made.

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

START UP 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 Start Up Grant.