

# Gloucestershire Flood Recovery Scheme for Business August 2007

## Scheme Guidance at 2 August 2007

### 1. Scheme overview

The scheme is administered by Business Link with funding provided by the South West of England Regional Development Agency (SWRDA) in partnership with Gloucestershire First.

The scheme aims to assist in rapid business recovery by providing assistance for business advice and physical losses as a direct consequence of the recent floods in the South West, principally Gloucestershire.

The maximum level of grant funding available to an individual business under this scheme is £2,500.

Funds up to £ 2 million have been set aside for this scheme. The scheme is open to applications from eligible businesses until the sooner of the following:

- 31<sup>st</sup> December 2007
- The available funds have been fully allocated.

### 2. Eligibility

Eligible businesses must meet all of the following criteria:

- The business entity operates in the South West Region
- The business location is situated in a recognised flooded area
- The business has suffered physical losses as a direct result of the recent flooding
- The business is a small or medium sized entity (SME) - see definition below

#### ***SME definition***

In order to qualify as a SME, the business must be independent and meet the following size criteria:

- Employ fewer than 250 employees and
- Have an annual turnover not exceeding £33.5m
- An annual balance sheet total not exceeding £28.8m
- 25% or more of the capital or the voting rights are not owned by one enterprise, or jointly by several enterprises falling outside this definition of an SME.

Initial priority will be given to those businesses that have been directly affected by the flooding.

To be eligible to receive the SWRDA Business Support Grant, we must establish whether you can receive De Minimis Aid under the EU State aid Regulations. This allows the following maximum levels of aid over any continuous 3 year period.

- A general enterprise can receive up to €200,000 (approx £135000).
- A farm business can receive up to €3000 (approx £2000). This lower limit applies to farms that have not diversified. Farms that have diversified are treated as general enterprises.

Potentially any assistance you may have received from a public body might be De Minimis Aid, this could be from central, regional, devolved government agency or local council. If you are not sure whether any assistance you have received is de minimis aid please contact the body which granted the assistance to clarify this. Your business adviser will be able to help you with any queries regarding this.

### **3. Acceptable losses**

Claims may only be made in respect of losses that are a direct consequence of the recent flooding in Gloucestershire, and in respect of bona fide business assets and exceptional business expenses.

The scheme includes:

#### Business Advice

- Consultancy and Professional Fees
- Marketing Promotion and Materials
- Reinstatement of business records including computerised data
- Structural surveys, engineering reports and similar professional costs which arise as a direct result of flood damage

#### Business Losses

Business losses that are eligible for grant aid are likely to include the following:

- Temporary accommodation
- Non-recoverable insurance excesses relating to motor vehicles, buildings, fixtures and fittings, plant and equipment, office equipment including computers and stock
- Replacement of essential assets similar to those listed above that are not covered by insurance
- Removal of debris and similar clean-up costs
- Emergency repairs to motor vehicles, plant, machinery, equipment, buildings etc that are necessary to make these items safe and/or restore them to business use
- Flood protection measures
- Hire of pumps, generators and similar equipment to deal with the impact of flooding.
- Marketing material and business recovery activity.

This list is not comprehensive, but intended to provide guidance.

#### **4. Exclusions**

Wages and salary costs, routine business overheads and loss of earnings are not covered by this scheme.

Costs may not be claimed from this scheme where these are covered by other grants or similar financial assistance, or where the business has received or intends to claim reimbursement from its insurers for the same items.

Recoverable VAT may not be claimed.

The maximum level of grant that can be paid to an individual business is £2,500. A business may submit more than one claim provided the cumulative value of all claims does not exceed £2,500.

#### **5. How to apply**

The scheme is administered by Business Link. An application form for the scheme and this guidance may be found on SWRDA, Business Link and Gloucestershire First websites.

Initially, affected business should contact Business Link on 0845 6009 006.

Business Link will send a Business Adviser to each company to provide advice and assist the business in completing the application for support. Decisions on applications cannot be made until a meeting has been held with a Business Adviser - who will be your principal point of contact.

#### ***Evidence***

The application form has been designed to be as straight forward as possible, whilst providing sufficient information to enable Business Link to assess the business's claim. Businesses will be asked to provide evidence of one the following:

- To demonstrate evidence of existence of the business, the applicant should provide one of the following:
  - Company registration number (if a limited company incorporated in England and Wales)
  - Copy of a valid VAT Registration Certificate or other official confirmation of your VAT number (eg most recent VAT return)
  - Copy of a current PAYE payment booklet
  - Copy of a valid Employer's Liability Insurance certificate or policy
  - Copy of other valid business insurance certificate or policy.
  
- To support the claim itself the applicant should provide:
  - Copies of invoices or receipts for costs and services being claimed
  - Evidence of insurance excesses being claimed.

Whilst the applicant will be expected to provide as much evidence as possible to support the grant application, it is appreciated that some evidence may not be available at the time of application due to flood damage or lack of accessibility to premises. In these circumstances, the applicant must seek advice from a Business Link Adviser. Claims may be accepted with reduced levels of evidence although Business Link and/or SWRDA reserve the right to request sight of documents in future to substantiate such claims.

A selection of all claims made to the scheme will be audited by Business Link and/or SWRDA to ensure that claims are bona fide, and to deter fraud.

## **6. Payment**

Once grant claims have been received by Business Link assessed and approved, payment will be made directly into the applicant's business bank account by BACS. This is to enable Business Link to make payments by the fastest and most cost-effective means, and avoids reliance on the postal service which may be disrupted due to ongoing flood problems.

Applicants will be asked to provide business bank account details on the scheme application form.

We will pay approved claims within 14 days.

## **7. Clawback**

Business Link and/or SWRDA reserve the right to reclaim part or all of the grant paid to a business in any of the following circumstances:

- Where the business does not meet the Eligibility criteria set out in Section 2 above
- Where the costs claimed have also been recovered from another party, for example an insurer
- Where the costs claimed are demonstrated not be genuine business expenses arising as a direct consequence of recent flooding
- Where there is evidence of fraud or other unlawful action in respect of the claim.

Business Link and/or SWRDA reserve the right to audit any claim under this scheme to ensure the protection and proper use of public funds.

## **8. Data protection**

Information supplied by individual businesses will be retained by Business Link and SWRDA for the purposes of processing the claim and administering the scheme. It may also be used for the audit of individual claims in future. Business details will be held securely and will not be released to third parties unless the scheme administrators are compelled to do so by law.

## **9. Revision to Scheme Features**

The SWRDA reserve the right to amend the conditions relating to the scheme.