



ACT
Government

Applications

open on 15-11-2021

close on 28-02-2022

COVID-19 SMALL BUSINESS HARDSHIP SCHEME



Chief Minister, Treasury and
Economic Development Directorate

Version 2 - January -2022

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ABOUT THE SCHEME

1. PURPOSE

The purpose of the COVID-19 Small Business Hardship Scheme (SBHS) is to provide further economic support to small businesses impacted by the COVID-19 lockdown in the ACT and the longer-term impacts of the COVID-19 situation in surrounding NSW and in other jurisdictions beyond the lockdown period.

2. FUNDING PARAMETERS

The Small Business Hardship Scheme will deliver additional financial support to small businesses whose turnover has declined by 30 per cent or more as a result of the COVID-19 public health measures.

Eligible businesses will be able to seek reimbursement of up to \$10,000 for costs incurred for selected ACT Government fees and charges, providing an immediate cashflow boost to businesses.

Reimbursement of up to \$10,000 can be provided to eligible businesses for utilities and rates paid from 1 July 2021 to 28 February 2022, and for commercial vehicle registration paid between 1 January 2021 and 28 February 2022.

Businesses may apply the Small Business Hardship Scheme whether or not they have received a Business Support Grant payment.

3. ELIGIBILITY REQUIREMENTS

3.1 Who is eligible to apply?

To be eligible for these reimbursements, businesses must meet the following criteria:

1. have a valid and active ABN as recorded on the Australian Business Register on or before 1 April 2021;

*Only **one** application may be submitted per ABN.*

*Note: following the 25 January 2022 announcement that the scheme would be extended until 28 February 2022, existing applicants can make a **second claim** for items not claimed in the initial application.*

2. have an annual turnover of between \$30,000 to \$2 million (excluding GST) in either 2019-20 or 2020-21; and
3. have experienced at least a 30 per cent reduction in revenue due to restricted trading conditions during the ACT's lockdown. This will be assessed by comparing a consecutive seven-day period in the declared lockdown (between Friday 13 August and Friday 15 October), with a consecutive 7-day period between 1 April 2021 to 12 August 2021 for which comparable business activity would have occurred.

3.2 Who is not eligible to apply?

The following are not eligible to apply:

- a. government Business Entities (either Australian or foreign);
- b. national-level industry associations or groups (membership or non-membership);
 1. ACT branches of national industry associations are eligible
- c. business with annual turnover of less than \$30,000 (excluding GST);
- d. business with annual turnover of more than \$2million (excluding GST);
- e. entities that primarily earn passive income (rents, interest, or dividends);
- f. companies in liquidation or provisional liquidation, administration or under any scheme of arrangement with its creditors;
- g. a business is, or notice has been given that it will be, placed under external administration;
- h. a company or business that is subject to a petition for bankruptcy or to wind up or deregister that company or business;
- i. a business that is or becomes deregistered or unregistered (including cancellation or lapse in registration or any relevant permit); and
- j. unincorporated associations.

4. ELIGIBLE ITEMS

The following selected ACT Government fees and charges are the only eligible reimbursement items:

4.1 Utilities (water, electricity and gas)

Utility bills (electricity, water, and gas) issued against the business' account that were paid between 1 July 2021 to 28 February 2022.

4.2 Rates

Commercial rates incurred for the business' premises paid between 1 July 2021 to 28 February 2022.

Businesses who have already claimed commercial rates tenancy relief are not eligible to claim additional reimbursement for commercial rates under the Small Business Hardship Scheme.

4.3 Commercial vehicle registrations

Motor vehicles registered in the business name and paid between 1 July 2021 to 28 February 2022.

Note: that the motor vehicle insurance component of the registration cost is included in this item.

5. APPLICATION PROCESS

5.1 Business eligibility

Applications including all support material, must be made through SmartyGrants:

1. Businesses must declare that they meet the eligibility criteria at the time of application and are continuing to trade per Section 3, Eligibility Requirements.
2. Businesses must retain evidence of a 30 per cent decline in turnover and proof of eligible expenses for at least two years for any future checks by the ACT Government.

5.2 Supporting evidence

1. **All businesses** must provide evidence to support the reimbursement items, including proof of payment.
2. **Businesses approved for Business Support Grants** do not need to resupply detailed information to demonstrate eligibility. They must supply their ABN and BSG reference number, and some limited business information to allow applications to be cross-referenced.
3. **New applicants** must provide:
 - a. The ABN for the business, used to confirm business registration.
 - b. A lodged Business Activity Statement (BAS), lodged Australian income tax return, or other documentation demonstrating annual turnover of between \$30,000 and \$2 million (excluding GST) in either the 2019-20 or 2020-21 financial year.
 - c. A Statutory Declaration stating their business experienced at least a 30 per cent reduction in revenue due to restricted trading conditions.
 - d. Information required to register for payment through ACT Government finance systems, including bank account details and GST paying status.
 - e. A bank statement to evidence their bank account details and link to the business' ABN.
 - f. Details of the Applicant's qualified accountant, registered tax agent or registered BAS agent, if applicable.
 - g. Other supporting documents as required to demonstrate the Applicant meets the eligibility criteria.
 - h. A declaration that the business meets the eligibility criteria.
 - i. A declaration that the Applicant is authorised to act on behalf of the business and that the information provided in the Application is true and correct.
 1. Or, in the event that a Qualified Agent is making the Application, the applicant business has confirmed to the Qualified Agent that the statements set out and information provided in this application are true and correct.
 - j. A declaration they will retain and supply upon request evidence to support the declaration should it be requested as part of compliance activities. Further information about the evidence to be retained is at Section 8 Audit and Compliance.

6. ASSESSMENT

When the Territory receives the Application, it will be assessed to ensure eligibility for the Small Business Hardship Scheme (refer to Section 3 for Business Eligibility requirements).

The applicant must provide all necessary documentation at the time of lodging the Application.

Applications that meet all eligibility requirements will be advised on the outcome of their application via email.

Payment will be made in a lump sum within 30 days (on average) of receiving a correctly lodged application. If we need to seek further or updated information from you to correctly assess your claim, this timeline may be impacted.

The ACT Government may conduct a more detailed review of your eligibility at a later date. Refer to Section 7 Accepting Payment for further information.

7. ACCEPTING PAYMENT

7.1 Payment process

Businesses approved for a Small Business Hardship Scheme reimbursement will be notified via email and the payment will be made directly into the bank account provided through the application process.

7.2 Conditions of payment

The declaration on the Application form certifies that all information provided in the Application is true and correct. Action may be taken for repayment of any payment made where information contained in the application is subsequently found to be false or misleading.

All businesses are accountable for payments received from the Territory and must adhere to all terms and conditions, and guidelines of the Scheme.

8. AUDIT AND COMPLIANCE

Businesses are required to retain supporting information for two years and produce this information at the request of the Territory.

At a minimum, it is recommended that applicants retain bank statements for the 7-day period in lockdown and the comparable 7-day period between 1 April and 12 August 2021 that demonstrate that revenue decreased by at least 30% as a direct result of lockdown.

In addition to the information provided as part of the Application (refer Section 4 Eligible Items), evidence of information that could be made available if required includes records and documents submitted with the Application, including:

- Other revenue comparison data for the consecutive 7-day period in April 2021 to August 2021 to the assessment period;

- emails or texts to or from clients or suppliers detailing cancelled orders or appointments;
- receipts for refunds provided;
- invoices or delivery dockets;
- appointment/scheduling platform, demonstrating cancelled appointments or bookings; and / or
- screenshots of cancelled events.

Small Business Hardship Scheme recipients will be subject to a spot check by the Territory and will be required to produce evidence on request by the Territory.

9. IMPORTANT INFORMATION FOR APPLICANTS

9.1 Accessibility

The Territory is committed to making its information, services, events and venues, accessible to as many people as possible.

If you have difficulty reading a standard printed document and would like to receive this publication in an alternative format – such as large print or audio – please telephone Access Canberra Contact Centre – 13 22 81.

If English is not your first language and you require the translating and interpreting services please telephone 131 450.

If you are deaf or hearing impaired and require the National Relay Service please telephone **1800 555 727**.

9.2 When to submit your application

- **Applications open 9am on 15 November 2021.**
- **Applications close 11.59pm on 28 February 2022.**

9.3 How to submit your application

All applications must be submitted via SmartyGrants, here: <https://cmtedd.smartygrants.com.au/SBHS>.

Hardcopy or email applications will not be accepted.

If you have submitted your application and wish to provide additional information before the assessment has commenced, please contact business.mailbox@act.gov.au and the team will arrange for your application to be reopened.

10.CONFIDENTIALITY

All material submitted to the Chief Minister, Treasury and Economic Development Directorate is provided in confidence.

However, applicants should be aware that the provisions of the Freedom of Information Act 2016 will apply to information in the Territory's possession.

11.FURTHER INFORMATION

For more information on the Scheme Guidelines, eligibility requirements or to lodge a complaint, please contact the Economic Development Division:

Via email: business.mailbox@act.gov.au

If you are having difficulty in accessing the online application form or if an error occurs, please contact the 13 22 81 for assistance.

TERMS AND CONDITIONS

1. GENERAL

- 1.1** These terms and conditions apply to the Scheme.
- 1.2** By submitting an Application, and again by accepting any Small Business Hardship Scheme reimbursement (“reimbursement”), the Applicant agrees to comply with these terms and conditions.
- 1.3** In consideration of the Applicant agreeing to comply with these terms and conditions, the Territory will, on and subject to these terms and conditions, receive and consider the Application.

2. TERRITORY RIGHTS

- 2.1** The Territory reserves the right for any reason, at any time and from time to time, to (in whole or in part) cancel the Scheme or to (in whole or in part) vary, supplement, supersede or replace the Scheme, the Guidelines or these terms and conditions.
- 2.2** The Territory is under no obligation to approve any Application for provision of a reimbursement and may reject any Application at the Territory’s absolute discretion, including without limitation:
 - 2.2.1** if an Applicant fails to satisfy the eligibility criteria for, or its Application fails to comply with the requirements of, the Scheme;
 - 2.2.2** if an Application is incomplete or contains information or representations that are false or misleading; or
 - 2.2.3** if the Territory decides to cancel the Scheme.
- 2.3** After an Application is received, the Territory may request additional information from the Applicant in relation to the content of its Application for the purpose of clarifying or assessing the Application. The Applicant must comply with such a request within 5 business days of the date on which the request is made.

3. APPLICATIONS

- 3.1** In order for its Application to be assessed by the Territory, the Applicant must submit a complete Application electronically through SmartyGrants on or before the Application Closing Time.
- 3.2** Receipt of the Application will be determined by the date and time shown that the complete Application is electronically submitted.
- 3.3** The Applicant, in submitting an Application, warrants and represents to the Territory that all information and representations (in whatever form) given to the Territory under, as part of or in connection with the Scheme or the Application are true and correct, complete and up-to-date, and in no way misleading or deceptive.

3.4 The Territory reserves the right, at its absolute discretion, to offer a reimbursement to an Applicant even if the Applicant does not satisfy one or more eligibility criteria for a reimbursement under the Scheme. The Territory may request additional information from an Applicant in connection with exercising this right.

3.5 The Applicant may withdraw its Application at any time by email to business.mailbox@act.gov.au.

4. AUDITS

4.1 The Territory may, at its cost and absolute discretion:

- 4.1.1 conduct random or specific audits of or in respect of any or all of the information provided by the Applicant, which audits may involve the Territory contacting third parties;
- 4.1.2 consider any information in any form which is provided to the Territory by a third party or which otherwise comes to the knowledge of the Territory, notwithstanding how that information is provided or otherwise comes to the knowledge of the Territory; and
- 4.1.3 request additional information from the Applicant if the Territory reasonably believes that any of the information provided, or a representation made, by the Applicant may be incomplete, false or misleading,

and if the Territory determines in its absolute discretion that:

- 4.1.4 the Applicant did not at the time of making of the Application, or at the time of payment of a reimbursement, satisfy the eligibility criteria for a reimbursement under the Scheme;
- 4.1.5 there is insufficient evidence to verify that the Applicant satisfied the eligibility criteria for a reimbursement under the Scheme at the time of making of the Application or at the time of payment of a reimbursement;
- 4.1.6 the Applicant made or provided any false, incomplete, misleading or deceptive representation, statement or information;
- 4.1.7 the reimbursement has not been used in accordance with the Guidelines; or
- 4.1.8 the Applicant otherwise received the reimbursement in error,

the Territory may in writing require the Applicant to repay any reimbursement or part thereof paid to the Applicant within 10 business days and the Applicant must pay to the Territory the amount of the reimbursement or part thereof together with all costs incurred by the Territory arising from, or in connection with, recovery of that amount. The obligation for an Applicant to repay a reimbursement to the Territory represents a debt due and payable by the Applicant to the Territory.

- 4.2** The Applicant must allow all persons who are nominated by the Territory to conduct an audit under these terms and conditions to:
- 4.2.1 have full access to all records and premises in the control or possession of the Applicant for the purpose of carrying out the audit;
 - 4.2.2 make and take copies of any record in the control or possession of the Applicant relating in any way to the Application or the reimbursement; and
 - 4.2.3 the Applicant must provide all reasonable assistance to those persons while they are conducting an audit.
- 4.3** If the Applicant receives a reimbursement, the Applicant must, for the period of 2 years from the Application date, retain records to verify that it satisfied the eligibility criteria for the reimbursement under the Scheme at the time of making of the Application and at the time of payment of the reimbursement.

5. DISCLOSURE OF INFORMATION

- 5.1** The Applicant warrants that all relevant third parties have consented to the disclosure of information relating to them in respect of the Application.
- 5.2** The Applicant agrees and acknowledges by submitting its Application that the Territory may disclose the Application and any information or document provided by the Applicant in relation to the Application as deemed necessary or desirable by the Territory, including without limitation:
- 5.2.1 to the extent necessary to assess and verify the matters represented in the Application, including disclosing to any government agency;
 - 5.2.2 pursuant to the requirements of any law, including the *Freedom of Information Act 2016 (ACT)*;
 - 5.2.3 under a court order; or
 - 5.2.4 upon request by a Minister, the ACT Legislative Assembly or any committee of the Legislative Assembly or by way of the Minister responsible for the Scheme disclosing to the Legislative Assembly as deemed necessary or desirable by the Minister.
- 5.3** The Applicant acknowledges and agrees that information collected by the Territory through the application process may be used for internal reporting purposes.

6. EXCLUSION OF LIABILITY

- 6.1** To the extent permitted by law, the Applicant:
- 6.1.1 will have no right of recovery against the Territory in respect of any matter or thing in relation to the Scheme, including without limitation, any aspect of the assessment or review of the Application or the disclosure of its Application and information or documents; and

- 6.1.2 releases the Territory from all liability for any loss, injury, damage, liability, costs or expense arising in connection with any matter or thing in relation to the Scheme.

7. LAWS

- 7.1 These terms and conditions are governed by, and must be construed according to, the laws of the Australian Capital Territory.

8. DEFINITIONS

The following definitions apply in the Guidelines and these terms and conditions:

Applicant means the party applying for a reimbursement under the Scheme pursuant to the relevant Application and includes the party after a reimbursement has been made to the party.

Application means an application for a reimbursement under the Scheme.

Application Closing Time has the meaning given in Section 9.2 of the Guidelines.

Annual turnover means all ordinary income earned in the ordinary course of running the business in the relevant financial year.

Small Business Hardship Scheme reimbursement means a reimbursement which is available, payable or paid (as the case may be) in response to a successful Application under the Scheme.

Guidelines means the Scheme guidelines set out in pages 3 to 8 of this document (as may be varied in accordance with the terms and conditions).

Lockdown means the Public Health (Lockdown Restrictions) Emergency Direction 2021 (No 4) made by the Chief Health Officer on 18 August 2021 under section 120 of the *Public Health Act 1997* (ACT). That direction restricted ACT residents to only leave home for 6 essential reasons.

Scheme has the meaning given in Section 1 of the Guidelines.

Territory means the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cth).



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