



Isle of Man
Government



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ENTERPRISE
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The Business Premises Support Scheme (BPSS)

March 2021

Guidance

ISSUED BY THE DEPARTMENT FOR ENTERPRISE

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Introduction and background

The Department for Enterprise's Business Premises Support Scheme ("the Scheme") was established in March 2021 to provide grant assistance to support local businesses in designated sectors that have been financially affected due to the global COVID-19 pandemic. The Scheme was created to assist certain businesses and self-employed persons whose turnover has been materially impacted by 25% or more over the course of the pandemic.

The Scheme is made under the Coronavirus Business Support Scheme 2020 (CBSS).

The Scheme is made by the Department for Enterprise, with the concurrence of the Treasury, under the Financial Provisions and Currency Act 2011 (FPCA). A copy of the FPCA can be found at https://legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/2011/2011-0021/FinancialProvisionsandCurrencyAct2011_2.pdf

The Tynwald Scheme (CBSS) can be found at https://legislation.gov.im/cms/images/LEGISLATION/SUBORDINATE/2020/2020-0156/CoronavirusBusinessSupportScheme2020_5.pdf

The latest Treasury Notice regarding the Scheme can be found at https://www.gov.im/media/1372053/treasury-notice-gc-2021_0032-final.pdf

This guidance is issued by the Department for Enterprise in accordance with paragraph 12 of the Scheme and sets out how the support is to be administered.

It is intended that the grant payment is used to support certain businesses who have felt the effects of the various lockdowns and whose turnover have been materially impacted by 25% or more.

It is hoped that the support provided will help those businesses to continue trading both during and after the March and April 2021 period of restrictions introduced to reduce the spread of COVID19.

Note that the Department provides other forms of grants and assistance, details of which can be found at www.iomdfenterprise.im/financial-support

For further advice and guidance regarding the Department's grants and assistance schemes and the criteria for eligibility, including for this Scheme, potential applicants are encouraged to complete the online enquiry form hosted at www.gov.im/businessenquiries

Please note that providing false, incomplete or misleading information in connection with an application under this Scheme is an offence. The maximum penalty is a fine of level 5 on the standard scale and/or six months in custody.

Disclaimer

The information contained in this document is intended to be general in scope and should not be relied upon as advice.

Any offer of a grant is also subject to availability of Department funds.

The Department may amend this guidance from time to time. While every effort has been made to ensure that the content is correct and up-to-date at the time of publication, the Department does not accept any responsibility, legal or otherwise, resulting from any errors or omissions and shall not be liable for any losses or damage that anyone may suffer as a result of relying on the information contained herein.

1. THE BUSINESS PREMISES SUPPORT SCHEME

1.1 Purpose and scope

The Scheme operates in two parts, the first part is in relation to financial support to eligible businesses based on a business' annual rates bill for its commercial premises. The second part is in relation to a one-off payment of £250 to hospitality and catering businesses that normally opens on Saturdays and/or Sundays and either a) closed earlier than usual or b) didn't open at all on either Saturday 27th or Sunday 28th February 2021 in line with Government advice. Eligible businesses can apply for either or both of these parts for each of its eligible commercial premises.

“Applicants” are defined (and subject to other eligibility criteria) as being one of the following: -

1. Self-employed individuals;
2. Sole traders owning a business with no staff other than the owner;
3. Partnerships where both parties are the owners and have no other employees;
4. Businesses including limited companies with no staff other than the owner(s); and
5. Businesses including limited companies with staff other than the owners.

The aim of the assistance is to help sustain qualifying businesses during the ongoing difficult trading conditions with the intention that the supported businesses will hopefully continue to operate during and following the end of the March and April 2021 circuit-break lockdown.

Important note - Applications for this payment round will open on 31st March 2021 and close on 30th April 2021 at 5:30pm. Any issues with submitted applications must be resolved by 16th May 2021, failure to resolve issues by this date will result in the application being closed and no payment will be made.

Applicants may wish to note that free of charge support is also available through the **Business Improvement Scheme's** (BIS), Business Advisory Service. The Department provides a consultant who can offer general business advice in addition to discussing, any present issues or ideas for business change etc. The consultant will provide a short summary report. This is then followed by a shorter meeting a few months later to review progress and answer any further questions.

1.2 Overview of available support

The Scheme operates in two parts, the first part offers a single grant payment equal to the business' annual rates bill(s) or the rates contribution included in its commercial premises rent for 2020/21, a copy of the bill(s) must be submitted as evidence.

The second part offers a grant payment of £250 which is available to hospitality and catering businesses (defined in **1.3b**) which closed their premises either earlier than usual, or who did not open at all, on Saturday 27th or Sunday 28th February 2021 due to Government Coronavirus advice.

Businesses are able to apply for multiple commercial premises for each element of the Scheme.

1.3 Eligibility

a) Eligible businesses

Any business which is not in an excluded sector in **1.3c** which has been financially affected (25% or more reduction in turnover) by the various lockdowns.

b) Eligible sectors

All sectors not listed in **1.3c** below are potentially eligible for the rates element of the Scheme.

With reference to the £250 payment, only hospitality and catering businesses are eligible, a hospitality and catering business means a business with income wholly or mainly from –

- a) commercial business premises which are registered with the Department of Environment, Food and Agriculture as a food business, such as coffee shops, cafes and restaurants; or
- b) commercial business premises in respect of which an on-licence, granted under the Licensing Act 1995, is in force, such as bars, nightclubs and public houses, whether or not they serve food.

The hospitality and catering sector is eligible for both elements of the Scheme subject to it meeting the eligibility criteria reference in 1.3d.

c) Excluded sectors

Excluded sectors are any business which falls into the below sectors:

- The Finance sector including but not restricted to;
 - Banking
 - Insurance
 - Fund industry including managers and administrators
 - Accountancy services, except for those businesses with 25 employees or less where the majority of their clients are in the Isle of Man
 - Trust and corporate service providers
 - Other financial services
- Legal services, except where at least 30% of the income of the provider of those services is derived from either or a combination of conveyancing and legal aid related work;
- IT; information technology and digital, except for those businesses with 25 employees or less where the majority of their clients are in the Isle of Man;
- E-gaming etc.;
- Construction;
- Space;
- Visitor Accommodation, other than registered permanent campsites without glamping facilities;
- Utilities (including gas and telecoms);
- Public administration;
- Any retailer that is liable to pay or will be liable to pay income tax at a 10% rate under the large retailers' tax for the 2018/19 income tax year;
- Any business that receives a significant amount of its income from Isle of Man Government in any way and including payments for underwritten events; and
- Any constituent entity of a MNE group under the Income Tax (Country-by-Country Reporting) Regulations 2017 (total consolidated group revenue of 750 million Euros or more).

Any business in the above sectors that can prove to the satisfaction of the Chief Executive of the Department for Enterprise that it has and continues to be financially impacted and is unable to meet eligible business overheads as a direct result of the restrictions imposed due to COVID-19 may request special consideration. Such a request must be made in writing stating the reasons why such an exception should be made and provide any evidence, as requested by the Department, to support such a request.

d) Eligibility criteria

This Scheme is only available to “applicants” as defined in Section 1.1

Only one application and payment per self-employed individual, sole trader, partnership or limited company will be permitted in each round of funding.

Businesses within a group of companies, or those sharing common beneficial owners / shareholders, are eligible to apply provided each business meets the general eligibility criteria within this guidance.

Businesses with multiple commercial premises are allowed to apply for each premise on a single application for both elements of the Scheme.

In order to qualify for the Scheme and financial assistance all “applicants” must:

- a) Have experienced a cumulative 25% or more reduction in turnover over the course of the various Coronavirus lockdowns in both 2020 and 2021;
- b) Confirm that the business is their primary source of income. Please refer to the below definition of primary source of income;
- c) To the best of its knowledge, intend to continue trading through the current difficult conditions into at least the short to mid-term future and that if the business closes the grant may be repayable;
- d) Not be in an excluded sector as outlined in the Guidance (1.3c);
- e) Have been in operation continuously for a period that commenced no later than 2nd March 2021;
- f) Have annual profits or gains wholly or mainly from a relevant sector as set out in this Guidance;

- g) Not have any overdue payments of more than 3 months which are more than £3,000 relating to Income Tax, National Insurance and VAT; and
- h) Meet other Income Tax, NI and VAT compliance criteria.

Additional criteria specifically for self-employed applicants:

- i) Be a self-employed earner as defined by the Social Security Contributions and Benefits Act 1992¹;
- j) Have already notified the Treasury under regulation 87 of the Social Security (Contributions) Regulations 2001 of their liability to pay Class 2 National Insurance Contributions or notified the Assessor of Income Tax of any income from self-employment;
- k) Have been in operation, in the capacity specified in (i) continuously for a period that commenced no later than 2nd March 2021; and
- l) Derive his or her primary source of income, other than income which may be received via a pension entitlement, from an eligible sector (ineligible sectors are listed in 1.3c).

Important note - Primary source of income is defined as one of the following:

1. Only source of income; or
2. Main source of income; or
3. Income above £6,500.

Important note - Applicants who have been declined for one (or more) of the criteria listed above and who have not resolved the issue(s) will be declined in this funding round.

Additional criteria for the Business Rates element of the Scheme:

- a) Qualifying business must supply for each premise being applied for a copy of the annual rates bill for 2020/21 from the Treasury and/or local authority; and/or
- b) Businesses that rent their commercial premises must submit evidence of their contribution to its landlord for business rates for the period 2020/21. This contribution must be evidenced in a manner that is satisfactory to the Department (i.e. a statement or letter from the landlord, detailing the amounts in relation to business rates).

Important note - Businesses who trade out of residential properties will not be eligible for this Scheme.

Additional criteria for £250 for Catering businesses that closed earlier than usual or did not open at all on Saturday 27th or Sunday 28th February 2021 on the advice of the Government:

- a) The hospitality and catering businesses will be eligible for an additional payment of £250 if the business closed their premises earlier than usual or did not open at all on Saturday 27th or Sunday 28th February 2021 as per the Government advice. Those businesses which were not expected to be open during this period under normal circumstances will be ineligible.

1.4 Application Process

Due to the high number of potential applicants, the Department will not be able to directly contact all potentially eligible businesses. Instead, the Scheme will be marketed widely and all information freely available on the Department's Enterprise web site.

All applicants are encouraged to carefully review their eligibility status before submitting an application.

Businesses who are unsure of their eligibility, may contact the Department by telephone on 687333 or by completing the brief online enquiry form which can be found at www.gov.im/businessenquiries

All applications must be submitted via the online electronic application form which can be found at - <https://www.iomdfenterprise.im/cbss-bpss>

Following receipt of a correctly completed and eligible application form, the Department will seek to process applications within approximately 5-10 working days of submission of the application. However, due to the potentially high demand levels for the Scheme and depending on the complexity of the application, the processing period may be extended.

¹ <http://www.tynwald.org.im/links/tls/socsec/ss/SocialSecurityContributionsandBenefitsAct1992.pdf>

a) Information to be supplied

All applicants must fully complete the online application form which includes;

- The applicant's details;
- Answers to all eligibility questions specifically;
 - The sector within which the applicant operates;
 - A declaration that as a result of the various lockdowns the business has been financially impacted (25% or more reduction in turnover); and
 - A declaration that the "applicant" meets all of the eligibility criteria.
- A declaration that the business is not in immediate danger of closing;
- For business rates element of the Scheme, the applicant must provide the following information:
 - The details for up to 5 business premises can be add to the electronic application form. If the business operates from more than 5 business premises, additional information can be added via a template spreadsheet which can be found at <https://www.iomdfenterprise.im/cbss-bpss>;
 - The details to be supplied per premise are as follows:
 - Name or number of the property;
 - Address;
 - Postcode;
 - Purpose the building is used for;
 - Cost of Rates - Rates bill or contribution;
 - Name of local authority (if applicable);
 - Landlord's name or company details(if applicable); and
 - Evidence to be attached.
 - A copy of its Annual Rates bill(s) or in the case of contribution to a landlord, evidence of the rates apportionment included in any such payment.
- For the £250 payment element of the Scheme, the applicant must provide the following information:
 - A declaration that the business closed earlier than anticipated or did not open at all as it usually does on Saturday 27th and/or Sunday 28th February 2021; and
 - The total number of premises being applied for and a list of those premises.
- The Department's standard declarations.

b) Assessment criteria

The Department will assess each application based on the following criteria:

- Full completion of the electronic application form; and
- Eligibility.

c) Approval process

Once the Department has determined eligibility, the Department will confirm the applicant's standing with regards to Income Tax, National Insurance and VAT with Treasury. If these checks fail, the application will be rejected by the Department and the applicant will be informed via email.

All applications for a grant must be approved by a person designated by the Department.

d) Payment

The Department will authorise the payment to be made. All payments will usually be made into the applicant's business bank account approximately 5 working days following approval. Payment runs are completed daily but these may differ depending if there are any Bank Holidays or if demand dictates.

e) Declined applications

Due to the high volume of expected applications, the Department will notify ineligible or rejected applicants via email stating the reasons for the refusal and where appropriate, provide information as to the manner in which a defective application may be rectified.

f) Review of decisions

If an applicant has been refused and wishes to request a review of the decision, the applicant must clearly and concisely state the reasons for the decline, the reasons for the review, any measures undertaken to resolve the issue and provide any additional supporting information.

The Department must appoint an officer of the Department (other than an officer involved in the original decision) to adjudicate on the review. The review officer's adjudication will be final.

The reviewing officer will then consider whether the correct decision has been made in relation to the Tynwald Scheme and the Scheme's Guidance etc and cannot take into account hardship and personal circumstances etc.

The reviewing officer does not have the authority to make exceptional one-off decisions which do not comply with the Scheme's legislative framework.

A request for a review of a decision must be made in writing within 10 working days of the date of notification of that decision.

An application may only be reviewed once.

Review requests should be either emailed to enterprisesupport@gov.im or sent to:

The Business Support Scheme,
Department for Enterprise,
St Georges Court,
Upper Church Street,
Douglas,
Isle of Man
IM1 1EX

1.5 Public disclosure

Applicants should also be aware that both parliamentary and freedom of information questions may be asked about particular applications or applicants. The Department will answer all parliamentary questions and freedom of information requests in accordance with the Freedom of Information Act 2015 and the Data Protection Act 2018.

1.6 Application form

Applicants should read the guidelines before submitting an application to the Department.

The Application Form is available at <https://www.iomdfenterprise.im/cbss-bpss>