**GUIDANCE NOTE – B&B Fund – go-live date: 15th June 2020**

**The guidance should be applied uniformly and as standard across each local authority area**

Accompanies V1.4 of the B&B Fund application form

**Background**

* The purpose of this fund is to provide hardship relief to B&B/small serviced accommodation providers who have **not** been able to access support through other schemes as a result of their **banking status**. That is, this scheme is **explicitly** aimed at providing support to the business types mentioned above operating with only a **personal or joint personal bank account** (rather than a business bank account). *NB business bank account owning B&B type operators have had access to other Funds*.
* We will use the broad VisitScotland designator ‘Small Serviced Accommodation’, which includes B&Bs and other establishments offering bed and breakfast services - Guest House, Farmhouse, Inn, Restaurant with Rooms. The key characteristics remain as use of **personal bank account** for trading, non-claim for other grants, bed and breakfast serviced accommodation provision.
* This fund **excludes** other types of non-serviced accommodation providers such as self-catering, caravan accommodation, Air BnB and so on
* Successful applicants will receive a one-off payment of £3,000.
* Individuals must apply in the Local Authority area where the business is located.

**Check-list**

In order to be considered, applicants must:

* Have declared that they meet all of the eligibility criteria by inserting a tick/yes next to each requirement;
* Have ticked the box agreeing to the Declaration;
* Complete all the fields under Personal Information. Only the Trading Name is optional if not relevant, but it must be provided if any of the supporting documentation features a trading name;
* Include all the following supporting documentation:
	+ photographic proof of identity;
	+ proof of business address;
	+ evidence of active trading (personal bank statements, business accounts, personal cash-flow statement, and one other form of evidence);
	+ Membership, accreditation, registration or listing with a recognised hospitality or tourism agency, representative body or marketing organisation. This could include VisitScotland, Scottish Tourism Alliance, Scottish B&B Association or a local tourism body (for example Visit Wester Ross).

**In exceptional cases where applicants are unable to provide specific items of supporting evidence (see below), action officers may accept alternatives in line with the guidance, but in doing so must be satisfied with the integrity of the application as a whole. This means that the combination of other supporting evidence supplied must provide a convincing picture of an applicant with a legitimate claim.** This is fundamental to reducing fraud risk.

Successful applicants may continue to work or take on other employment including voluntary work while applying for or in receipt of grants.

**Eligibility**

Applicants must confirm that they meet each of the eligibility criteria by inserting a tick/yes in the corresponding box. Failing this, the application should be rejected.

Officers are not expected to verify all of these statements, or undertake an assessment of hardship, or independently check the applicant’s status with regards to working age benefits

No supporting evidence is required specifically for this section of the form.

**Declaration**

The declaration box must be ticked in lieu of signature. The application cannot be accepted without this. Officers are not expected to verify all of these statements, and no supporting evidence is required specifically for this section of the form.

**Personal details**

All fields required.

Trading name is optional, but should be completed if a trading name features on any of the supporting documents provided.

Bank account for grant payment must be in the name of the applicant. If this is a different account from the bank account provided as supporting evidence (below) a copy of the most recent statement for the grant recipient account.

**Supporting documentation**

Action officers must see evidence for each of these categories.

Action officers should be satisfied that the applicant has provided suitable evidence of their identity before proceeding.

Proof of identity shouldn’t be the same as proof of business address (e.g. a driving licence is not sufficient for both proof of identity and proof of business address).

In a small number of cases, legitimate applicants might be unable to provide some of the required supporting documentation, for example if they hold neither a driving license or a passport. In these cases alternative forms of evidence may be accepted so long as officers are satisfied with the integrity of the application as a whole. In order to minimise fraud risk, these should only be used in exceptional cases, and the same supporting document cannot be used as proof of identity *and* address.

Applicants must upload images or digital copies of the following:

* **MANDATORY: Photographic proof of identity - valid passport or driving licence (including provisional driving licence)**.
* We assume that most applicants will have one of these (including provisional driving licence).
* In rare cases that applicants cannot provide either a driving license, but officers are satisfied by the integrity of the application as a whole, other documents may be used such a copy of an original Birth Certificate or a National Insurance Card. However, this should only be considered in exceptional circumstances.
* **MANDATORY: Proof of business address - a recent council tax bill, utility bill**
* If the applicant cannot provide a bill in their name then alternatives may be considered exceptionally and at the discretion of the action officer so long as they are satisfied with the integrity of the application as a whole.
* **MANDATORY: business membership or affiliation**
	+ Membership, accreditation, registration or listing with a recognised hospitality or tourism agency, representative body or marketing organisation. This could include VisitScotland, Scottish Tourism Alliance, Scottish B&B Association or a local tourism body (for example, Visit Wester Ross)
	+ Electronic or photographic evidence of membership or listing
	+ Proof of quality assurance cert; or registration number or equivalent; other evidence of affiliation or membership; or a simple online listing, which should be prior to March 2020
	+ Officers are asked only to be satisfied what applicants supply here aligns with the above rather than seeking independent verification; eg, no requirement to cross reference with VS or STA etc.
* **MANDATORY**: **Bank statements** (personal or joint personal) covering 3 months between April 2019 and March 2020 showing income and outgoings from bed and breakfast trading activity.
	+ With a personal bank account as proof of business trading, officers should be satisfied that they show business income and related outgoing expenditure
	+ “To March 2020”: No specific date is referenced because B&Bs are frequently seasonal businesses patterns in trading and account activity will vary according to each applicant’s business. However, the action officer should be satisfied that the bank statements show active trading during the 12 month period up until the start of coronavirus lockdown.

* **MANDATORY: Cash Flow Personal Statement**
	+ These are largely seasonal businesses, which if looked at in the short run, can demonstrate a ‘healthy’ balance sheet or bank statement (for example if they are sitting on reserves from previous years or deposits yet to be returned from cancellations)
	+ Rather than seek a spreadsheet forecast, given the flat-rate nature of the grant here, a personal statement of financial hardship should be sought that includes a forward look covering the period end March 2020 to end September 2020 (6 months). This statement should include a projected loss of sales/revenue from business activity over the coming summer season and **self-declaration** this amounts to at least 35% of individual income.
* **MANDATORY: Financial information including turnover figure from previous year**
	+ Trading accounts from 2018-2019; including turnover figure.

*To be accompanied with* ***one of the following*:**

* VAT Registration Number. This should be a letter or electronic communication. Officers are not required to verify with HMRC.

***OR***

* + Registration Number - provided by Companies House (CRN), Charities Commission, Mutuals, Public Register and other statutory and regulatory bodies that you must file accounts and annual membership details with.

***OR***

* + Unique Tax Reference Number - If you do not have a Company Registration Number or a VAT registration number as detailed above, you should provide your HMRC Corporation Tax Unique Taxpayer Reference or HMRC Self-Assessment Unique Taxpayer Reference, as appropriate for your entity. You will be asked to scan and upload a copy of this document.
* **MANDATORY: general trading evidence any *one* of the following:**
	+ A supplier or trade account (active); for example, documentation or a statement showing a trading account with a wholesaler;
	+ Correspondence with customers (guests) or suppliers;
	+ Valid business insurance in the trading name of the business or name of the applicant;
	+ Marketing materials for your business, eg business website, active social media. Web links, social media account name (LinkedIn, Facebook, Booking.com etc). *Officers should check for authenticity, and that the website or social media includes content covering the 12 months to March 2020; ie, be satisfied the content was not created just to support the application*.