

City of Ipswich

Small Business Funding Program: Funding Guidelines

Overview

The Ipswich City Council Small Business Funding Program has been developed as part of the broader range of initiatives implemented by Ipswich City Council (council) to support Ipswich-based small businesses through and post the coronavirus (COVID-19) pandemic. The program is a competitive funding process designed as a 'Quick Response' cash payment of up to \$1,000 (exclusive of GST) per eligible applicant. The funding priorities are to help get Ipswich small businesses back to doing business, whilst also stimulating the local economy.

Timeframe

| | |
|------------------------|----------------------------|
| Opening Date | 14 July 2020 |
| Closing Date | 14 August 2020 11.59 pm |
| Notification | 28 August 2020 |
| Funds Dispersal | 11 September 2020* |
| Funds Acquired | 11 October 2020 |

*Subject to the return of the applicant's signed funding agreement, allowing for sufficient processing time.

Once the funding application is submitted, the applicant will be issued with an acknowledgement within 24 hours. If this is not received, please contact business@ipswich.qld.gov.au.

Funding Available

The total funding available for the Ipswich City Council Small Business Funding Program is \$1,000 (exclusive of GST) per enterprise or company group. A total funding pool of \$200,000 has been allocated.

Funding can be for:

- future expenses (provided these expenses are incurred and acquitted by the business before 30 September 2020) or
- reimbursement on applicable items acquired by the business from 1 March 2020.

Recipients

This is a competitive funding program open to for-profit small Ipswich businesses. To be eligible for consideration for the Small Business Funding Program, applications need to meet all compulsory assessment items. Whether an applicant is an eligible funding recipient will be determined by accessing the applicant against the following criteria:

ELIGIBLE FUNDING RECIPIENT

An eligible funding recipient must satisfy all of the following criteria:

- is a legal entity and holds a valid Australian Business Number (ABN) as at 1 March 2020
- is a Ipswich-based for-profit enterprise
- is a small business which
 - a. has an annual turnover of less than \$1 Million
 - b. employs less than 20 staff in total (across the business itself and any associated entities)
- is open and recommenced trading at the date of application
- is not subject to any enforceable undertakings, legal actions or pending closure
- has experienced a reduction of turnover of 20% or more due to COVID-19
- applies for the funding as the owner or authorised representative.

Ipswich Small business classification

The applicant will be required to provide a letter addressed to Ipswich City Council confirming the following points about the business/entity the application is made on behalf of:

- located in Ipswich (address to be supplied)
- total number of staff
- confirmation annual turnover is less than \$1 Million (actual figure is not required).

Turnover reduction

Sufficient evidence of at least 20% (twenty percent) decrease in turnover is required to deem an applicant eligible for the Small Business Funding Program.

Supporting documentation can be supplied by any of the following methods:

- Preferred method: letter dated post 1st of March from your Accountant indicating prior quarter or year period to current turnover levels, showing at least a 20% fall.
- Alternate methods: lodgement of appropriate financials that clearly outlines prior and current levels of turnover (supply of supporting letter if required); or presentation of other documentation from recognised accountancy based software programs (i.e. Xero, Myob) that clearly demonstrate 20% drop in income levels.

Please note that without sufficient documentation your application may be considered ineligible for funding.

Certification

The application form will include a certification section where applicants must authorise their submission is made by an approved representative of the business and that the business is still trading and not subject to any enforceable undertakings, legal actions or pending closure. Failure to complete this certification will deem the application ineligible for funding.

INELIGIBLE FUNDING RECIPIENTS:

Ineligible funding recipients include the following:

- have submitted an incomplete application
- individuals or not-for-profit organisations
- the business is located outside the Ipswich City Council local government area
- government or semi-government organisations (i.e. Hospitals and libraries)
- public education institutions (i.e. primary, secondary and tertiary institutions)
- parents and citizens associations
- political parties and political lobby groups
- businesses that have an outstanding debt to council or unresolved compliance matters
- Organisations that have outstanding council acquittals or have not satisfactorily acquitted council funds
- applications received outside of the application timeframes
- funds paid to a 'Related Party' of council as defined by the Australian Accounting Standards Board Standard AASB 124 Related Party Disclosures.

Funding Projects

Another compulsory item of the application is for the application to propose or demonstrate engagement of an eligible funding project area.

ELIGIBLE FUNDING PROJECTS

The following funding areas are approved projects:

- professional services
- inventory
- membership

Applications for funding outside of the abovementioned funding areas will not be eligible for consideration. Applicants can apply for one or a variety of the eligible funding areas. The breakdown needs to be clearly communicated in the application. Council may, in its discretion, elect to grant partial funding to a business if total funding allocated is exhausted.

Professional Services

Approved professional service areas include Accountants, Financial Planners and/or Solicitors. Please note that Ipswich City Council may request proof that your Accountant, Financial Planner or Solicitor is authorised to provide the professional service.

The purpose of the engagement of professional services is for post-coronavirus recovery planning for the local small business. A specific justification detailing why the service is required needs to be provided by the applicant, as this forms part of the assessment criteria.

Supporting documentation for this funding area must include a quotation for proposed services (if you have not yet engaged a professional service provider), or an invoice with proof of payment (if an engagement has already taken place).

Applications which propose to or demonstrate engagement of Ipswich-based professional service providers, will receive higher scoring in the assessment process.

Inventory

Approved Inventory funding will be provided if all of the following criteria is satisfied:

- product/s are crucial to the applicant's business continuity
- the product/s complies with standards for use in the applicant's business
- the applicant holds any and all appropriate licences required to purchase or use the product/s (supporting documentation may be required to confirm licencing)
- product/s are available and in stock
- product/s can be delivered to applicant within 15 business days
- the product/s purchased or proposed to be purchased by the business do not contravene any restrictions on operations for the business as outlined on the Queensland Government Roadmap to Recovery website.

The application must address how the inventory will assist the business getting back to doing business. The justification forms part of the assessment criteria.

Inventory purchased from 1 March 2020 can form part of the application, however this needs to be accompanied by supporting documentation such as proof of invoice and proof of payment. If inventory has not been purchased, a quotation of product/s needs to be provided.

Applications which propose to or have already purchased inventory from Ipswich-based providers will receive higher weighting in the assessment process.

Membership

Approved membership funding and reimbursement will be available for the following memberships:

- memberships the applicant requires to continue trading and
- state or national recognised associations and/or bodies (i.e. National Retailers Association)
- Greater Springfield or Ipswich Chambers of Commerce (Micro and small business membership costs only. No other Chambers of Commerce are eligible).

Other locally based networking groups and Industry bodies will also be considered, where the applicant can provide justification that the membership provides crucial assistance and guidance to the business.

Supporting documentation required for this funding area includes a tax Invoice outlining costs, services provided for, address and name of the association for which the applicant belongs. If the application is for reimbursement of funds already paid, proof of payment is required.

INELIGIBLE FUNDING PROJECTS

Ineligible funding projects include:

- projects not detailed in the eligible funding areas
- requests that are considered by council to be the funding responsibility of other levels of government
- requests for operational expenses such as insurances and rental subsidies
- applications which do not include required documentation
- requests that relate to products and/or services provided by businesses operated by councillors or council employees.

Application Process

Applications are submitted via the Ipswich City Council funding webpage Ipswich.qld.gov.au.

Prior to application submission, applicants must review the Funding Guidelines to ensure the business meets all eligibility criteria. Applications must be submitted by 11.59 pm on Friday 14 August 2020 with all required supporting documentation. Failure to submit a completed application by the deadline will deem the applicant ineligible.

Assessment Process

All applications will be accessed by a panel of council officers, with final decisions and funding approvals made by council as a delegate of the CEO of Ipswich City Council.

Applications will firstly be screened to ensure all Compulsory Assessment Items are received. If any of these items are not provided, the application will be deemed ineligible and applicant funding will not be provided.

COMPULSORY ASSESSMENT ITEMS

Application assessment will not proceed without all below requirements marked 'Yes':

- | | |
|--|----------|
| 1. Complete application form received | Yes / No |
| 2. Classified as a small business | Yes / No |
| 3. All statements, invoices or proof of payment supplied | Yes / No |
| 4. Requested funding included in 'Eligible Funding Projects' | Yes / No |
| 5. Demonstrated reduction in turnover of at least 20%. | Yes / No |

Once applications are confirmed to have satisfied the Compulsory Assessment Items, applications will be supplied to panel members to review and allocate points based on how well applications satisfy the following assessment criteria.

ASSESSMENT CRITERIA

Panel members provide a score based on how well they assess the application has addressed the assessment criteria. Scores are then totalled and all applicants ranked from highest scoring.

| No. | Assessment areas | Score 1-10 |
|------------------------------|--|------------|
| 1 | How well does application articulate how funds will be spent? | |
| 2 | Will approved funding be spent towards Ipswich based business or organisation? If yes apply maximum points | |
| 3 | How well does the plan articulate how this funding will assist or build the business beyond Covid19 | |
| Total score out of 30 | | |

Once applications are ranked, funding will be offered to top ranking applicants until funding pool of \$200,000 is exhausted. To be granted funding, applicants must first return a signed Funding Agreement.

Successful Applications

TERMS AND CONDITIONS THAT APPLY TO SUCCESSFUL APPLICANTS

All successful applicants will receive the approved funding from council subject to the following terms and conditions:

- The applicant will be required to become a signatory to a standard funding agreement which details all funding conditions and agreed performance outcomes/measures. This must be signed before funds can be issued.

- The applicant acknowledges Ipswich City Council in any promotional material or publicity features.
- Council may make funding conditional on other specific conditions being met.
- If council's funds are not spent, all remaining funds must be returned to council.

VARIATIONS

Funding must be used in accordance with the Standard Funding Agreement for an Eligible Funding Project. Any changes to the funded activities undertaken or the project duration must be approved by council.

Please send an email or letter to the Community Grants Team with your request outlining the changes you are seeking to the funding agreement before the project end date, for example: changes to the nature/purpose of the project, the way in which the project is to be carried out and completed, the budget, and/or any extension to the funding period.

Approval must be sought and approved in writing before you undertake any changes. Variations cannot be sought after the Standard Funding Agreement end date.

EVALUATION AND ACQUITTAL

To ensure appropriate accountability by funding recipients with regard to the use of the funding, all funding provided by council will require an evaluation report and financial acquittal, outlining the use of the funds (including proof of expenditure) and the achieved outcomes of the activity. This includes providing adequate receipts of items purchased or evidence of approved expenses that at least equal the amount of the funding.

Specific evaluation requirements will be outlined in each individual funding agreement and will depend on the nature and size of the funding.

Organisations that have not satisfactorily acquitted council funds within an appropriate timeframe agreed by council, will be required to repay funding and will be deemed ineligible for council funding or in-kind assistance for 12 months from the acquittal due date.

Applicants will need to complete the online Acquittal form through Smarty Grants, and can contact the Grants team for assistance.

REPAYMENT OF FUNDING

You must repay to us:

- a) within 30 days of our request or as otherwise agreed, any part of the funding spent on purposes not approved by the Standard Funding Agreement
- b) any and all unexpended funding unless otherwise agreed, within 30 days or the earlier of
 - i. the end date
 - ii. termination of the Standard Funding Agreement
- c) any difference between the actual project costs and the budget cost.

All repayments must reflect any associated GST component relating to the original payments.

INSURANCE AND WORKPLACE HEALTH AND SAFETY

- It is the applicant's responsibility to obtain and maintain adequate insurance (including public liability) with a reputable insurer, in relation to activities carried out by the applicant for the project, to guard against any claims for loss or damage to property and injury or death to persons.
- The applicant is also responsible for ensuring a safe work environment in accordance with Workplace Health & Safety (WH&S) Act 2011 and its associated Regulation and Codes of Practice.

Where applicable, the applicant is to obtain and maintain workers compensation insurance in accordance with applicable legislation and where relevant, ensure appropriate council approvals can be obtained to complete your project.

TAXATION

Applicants must advise whether they are registered for GST. GST can affect your funding in the following ways:

- total amount paid for goods and services purchased using the funding
- total funding approved

Council will exercise their discretion to grant funding to applicants which includes an allowance for any GST payable by the applicant for the project.

For advice on GST, contact your tax advisor, or the Australian Taxation Office on 13 24 78 or Ato.gov.au.

Ipswich City Council recommends that businesses who wish to apply for funding under this program seek advice from a tax agent or accountant on any taxation consequences that may arise for the business as a result of being granted funding under this program. Applicants acknowledge and agree that Ipswich City Council will not be liable for any taxation consequences.

Unsuccessful Applications

Feedback will be available at the end of the assessment period and will be supplied to applicants who request it within 10 business days of request being lodged via email to business@ipswich.qld.gov.au.

Enquiries

For further information, please contact a council on (07) 3810 6666 or email business@ipswich.qld.gov.au.



City of
Ipswich

Ipswich City Council
PO Box 191, Ipswich QLD 4305, Australia

Phone (07) 3810 6666
council@ipswich.qld.gov.au
ipswich.qld.gov.au

Join us online:



/IpswichCityCouncil



/IpswichCouncil



/ipswich-city-council



/IpswichCityCouncilTV