

Snapshot: Business Support Fund

The Case

The Victorian Government announced a support package for eligible businesses affected by COVID-19 lockdowns offering \$10,000 grants in March last year. The Department of Jobs, Precincts and Regions set the Business Support Fund up within nine days. Cracks soon started to appear, and the Victorian Ombudsman was inundated with complaints, prompting it to start an investigation into what went wrong. The Ombudsman received more than 1100 complaints about the grant. Business owners who were genuinely eligible for a grant were refused because they made a simple mistake, or were confused by the process. Many of these denials were because, unbeknown to the business owners, applications remained in draft awaiting further information when the deadline expired while others were denied a grant because of typos on their application, or information being provided through the wrong link.

Key Findings

- Business owners had grants rejected due to minor typographical errors when applying including entering an email address or a business name incorrectly
- A no bounce back email service was used meaning the Department was unable to follow up with business owners who made minor typographical errors in their application
- The Department refused to reassess applications it had returned to the business owner for revision and placed back into 'draft' where the business owner had uploaded documents but failed to press 'save and submit' again
- The Department refused to accept JobKeeper information from business owners unless they provided it via the link in the email the Department sent
- Time constraints, complexity of the application process and the inflexibility of the Department's initial decision-making confused and frustrated many business owners
- The Department outsourced its call centre and decided not to provide call centre staff access to the Department's case management system
- The complaints process was inadequate and inaccessible and the Department effectively outsourced its complaints function to the Ombudsman

Key Recommendations

- Invite more than 12,000 business owners to reapply to the fund
- An update to the Department's Better Grants by Design framework to include guidance on administering time critical grants
- Update the complaint handling process published on the Business Victoria website to include detail about internal and external review avenues, including the Victorian Ombudsman
- Provide call centre staff access to relevant information to better respond to business owners

By the numbers



1,100+ complaints handled by the Ombudsman



Up to \$120m may be repaid if all meet eligibility criteria and are successful



more than 12,000 business owners may reapply



44+ denied grant due to typos

Final word

"Despite the stress and anxiety caused by COVID, in an environment where their businesses were being destroyed, people were being penalised for their honest mistakes." – Deborah Glass, Victorian Ombudsman