

ERF Sector Specific Fund Guidance for Businesses Employing between 11 and 249

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Page 2 – General Guidance – This section covers eligibility and general information and definitions of terms used in the Application process

Page 6 – The Application Form – This section has a list of all fields / information that are being asked for in the Application

Please read this guidance carefully before completing. The assessment of your request will be based on the information that you provide in this application. Due to the numbers of submissions expected it will not be possible to change any information provided once the Application is submitted.

The following notes provide an explanation of selected aspects of the Application Form that may need clarification. Please contact <https://businesswales.gov.wales> if you need further guidance before submitting.

General Information

The ERF Sector Specific Support is discretionary funding targeted at Hospitality, Tourism and Leisure (HTL) businesses and associated supply chain businesses that will be materially impacted by a greater than 60% negative impact on turnover as a result of the restrictions introduced on 4 December 2020 until the 22 January 2021.

The funds seeks to compliment other COVID-19 response measures to support businesses, social enterprises and charitable organisations in Wales.

The fund is split into 3 parts, this guidance relates to Part 2 (SME's)

Part 1: For micro businesses employing 10 or less staff

Part 2: For SME businesses employing 11 to 249 staff

- an annual turnover of no more than €10m; or
- a balance sheet total of no more than €10m.

Part 3: For larger businesses employing 250 or more staff

- an annual turnover of no more than €50m; or
- a balance sheet total of no more than €43m

In addition, to qualify as an SME:

- the business must be no more than 25% owned by one or more owners that are not classed as SMEs (public investment corporations and venture capital companies are exempt from the 25% threshold as are institutional investors provided they exercise no control over the SME);
- if your business owns more than 25% of other businesses we will also need to take this into account in assessing your SME status;
- if a non SME exercises control of your business by legal or contractual rights, this may affect your SME status;
- if a non-SME's ownership of your business (or your ownership of a non-SME) is between 25% and 50%, your business may in some cases still qualify as an SME;
- if you have only recently exceeded the employment, turnover or balance sheet total thresholds, you could still qualify.

Businesses that are headquartered in countries that are 100% tax havens are ineligible for funding from the Economic Resilience Fund. For the purposes of this scheme the 100% tax haven countries are:

- British Virgin Islands
- Bermuda
- Cayman Islands
- Bahamas
- Isle of Man
- Turks and Caicos Islands
- Anguilla

Your Personal Details

The application must be completed by an Authorised Signatory of the business. An Authorised Signatory can be one of the following:

- Director: a registered director of a company;
- Trustee: a registered trustee of a charity;
- Partner: a designated partner/member of a limited liability partnership or a legal partner within a business;
- Proprietor: owner of a business.

About your business

UK VAT Number – To be eligible for support you must either be:

- A business registered with Companies House or the Charity Commission and with a turnover above £50,000
- a VAT registered business with a turnover of £85k or over
- a VAT exempt business with a turnover of £85k or over

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

Headcount – This is the total number of employees you have, this figure will always be higher or the same as the FTE figure which is explained below.

Full-time equivalent job (FTE) – This is the number of full time jobs within your organisation. A full-time job is one of 30 hours or more per week; a **part-time** job is one of at least 15 hours per week; two part-time jobs count as one full-time equivalent job. We do not accept zero hour contracts as eligible permanent jobs.

To calculate the total FTE jobs, divide the number of part-time employees by 2 and add to the number of full-time employees.

Example:

10 part-time employees = 5 added to 10 full-time employees equals FTE employees of 15.

The number of Full Time Equivalent jobs to be safeguarded and created will form part of the calculation of the amount of funding awarded, this calculated on the basis of £1,500 per FTE

The Application Form

The following pages include a list of all the information required to complete the Application, along with a brief explanation of exactly what type of information we are looking for to effectively assess the application. In addition to the guidance there is a frequently asked questions (FAQ) document which has answers to common questions.

Please Note – Ensure that you accept cookies when accessing the website and application form. You should also use this guidance to prepare information in advance. There is a 20 minute time limit on each individual page of the on-line application form.

About You, as authorised signatory

This section relates to the person filling out the application.

Title
First name
Last name
Email address
Telephone number

About Your Business

Business name	Your trading or Registered Business Name
Full address	Complete this if different to the address above
County	Complete this if different to the address above
Postcode	Free text
Business telephone	The best number to contact your business

Business email	Please ensure this e-mail address is regularly monitored
In what capacity are you applying	This is the legal structure you have are such as Limited Company or Sole Trader etc. There will be a drop down list for you to use.
Select business primary sector	Please select the primary sector that is closest to your current business activities
What is the total number of employees?	What is the total number of staff employed through PAYE (headcount).
What is your total number of FTE?	This is the number of full time staff. A member of staff should be working a minimum of 30 hours a week to be considered full time.
What was the business turnover for the 2019/2020 financial year?	
What was the Balance sheet total in your most recent accounts	
The year from which information is taken	Drop down list where you can select from the last 2 financial years
Companies House Registration number	You should have this if you are registered with Companies House
I am not Companies House Registered	Tick box if you are not required to register with Companies House
Charity Commission Registration No	You should have this if you are registered with the Charity Commission
I am not Charity Commission registered	Tick box if you are not required to register with the Charity Commission
VAT	You should have had this number if you are registered for VAT
I am sector VAT exempt	Tick box if you are operating in a sector which is exempt from VAT
Do you employ using PAYE	Yes/No - All employees should be paid via the business payroll with PAYE deducted

Impact of Covid 19 on your Business

Please provide details of the Covid 19 related events since the 4 th December 2020 that have contributed towards the >60% drop in turnover	A brief outline of why turnover has dropped, for instance the business has had to close, or for a supply chain business X amount of customers have had to close which has cut orders.
Please outline any benefits to other businesses or to the wider community that could be achieved with funding support	The impact that the funding could have with other businesses associated with you, such as suppliers. In addition the impact for the community of the funding allowing you to keep trading.

Employment Information

No. of Full Time Equivalent Jobs to be safeguarded until at least the 31 st March 2022	These are the jobs saved by receiving the funding, full time equivalent is at least 30 hours per week, where there are part time workers, these should be added together to make an FTE as per the section on page 4.
Description of Jobs Safeguarded	The form will have the table below for you to complete, this is the section of the form that asks you about information about your staff

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Job role	Gross basic annual salary (£)	Number of full-time jobs to be safeguarded	Number of part-time jobs to be safeguarded

Eligible Expenditure

This section allows you to specify what costs will be funded through the grant, a list of eligible costs are:

Insurances
Rent – excluding landlord rent holidays
Security – may even be exceptional if premises not occupied and being targeted
Essential building and plant maintenance
Standing charges for utilities – water, electricity, gas, phone & internet
Contracted equipment rentals – IT systems, office equipment
Stock write-offs/write-down
Legal/professional advice
Costs of remote working of staff – e.g. revenue (phone calls)
Retention costs of non-employees (for example agency staff)
Non-delivery penalty payments under contracts with customers
Excessive interest costs or arrangement fees for emergency funding

Details of the types of costs which are ineligible can be found in the FAQ document on the Business Wales Website.

The application form will also ask you to:

Explain how you have calculated the costs above	This could be based on historical costs, actual values for the previous period, or estimates
If any transactions involving the fund are to be conducted through group companies please provide details	If any costs (for instance if you rent a premises or equipment) are related to companies within a wider group, or other companies you own, provide details including values

Fund Information

What other sources of funding have you applied for?	A list of funding you have applied from since the Covid-19 pandemic began
How have you been funding the business since December the 4 th ?	A table to complete showing how you have maintained your cashflow while impacted by the Covid Restrictions
How much are you applying for?	The total amount of ERF Sector Specific funding you are applying for.

Bank Details

This section will ask for you to input your business bank account details.

Subsidy Control

The UK Government and the EU have now agreed a deal on their future relationship which requires changes to the former State Aid legal framework. Welsh Government is finalising a new framework which will apply to this fund and further details will be published once agreed, and will form part of the offer letter should your application be successful.

Declarations

These must be completed when making the application to either agree to the statements, show you have read and understood information or to declare previous issues. If you declare issues this does not mean an automatic rejection, it will then be considered by the assessment team.