

Economic Resilience Fund (ERF)

Frequently Asked Questions

What is the purpose of the funding package?

The ERF will provide support in the form of cash grants for businesses, social enterprises and charities and associated supply chain businesses within the hospitality, leisure and attractions sectors and their supply chains that are experiencing continued impact as a result of ongoing COVID-19 restrictions. The grants will help meet operating costs (excluding staff wages) for the period 13th December 2021 to 14th February 2022.

Who is able to apply?

The ERF will support businesses that are either:

- a. Businesses impacted between 13th December 2021 and 14th February 2022 and closed by regulations from 26th December 2021.
- b. Event Space and attractions materially impacted between 13th December 2021 and 14th February 2022.
- c. Other businesses from hospitality, leisure and attraction sectors and their supply chain* who have been materially impacted with greater than 50% impact on turnover between 13th December 2021 and 14th February 2022. * Supply chain businesses are defined as a business that generates 60% or more of its sales revenue from businesses directly impacted by the restrictions.

And (applies to all):

- Have experienced a materially impact through reduced turnover of 50% or more between December 2021 and February 2022 as compared to December 2019 and February 2020.

What are the key aims of the support available?

The key aims are to support businesses to cover their operating costs which support business survival and safeguarding jobs. As a condition of funding you will be expected to safeguard the jobs for a minimum of 3 months.

How will the funding be delivered?

For applicant businesses with an annual turnover above £85k, the funding will be delivered through an online application process and administered through the Welsh Government.

How much can I apply for?

For eligible businesses the package of support will provide the following grant awards based on the number of Full Time Equivalent (FTE) posts:

FTE / Type	Any business closed by regulation Fixed Grant Amounts (to cover a period of 13 December 2021 – 14 February 2022)	Event Space and attractions that are open but experiencing reduced turnover Fixed Grant Amounts (to cover a period of 13 December 2021 – 14 February 2022)	Other business from tourism, hospitality and leisure or their supply chain that are open but experiencing reduced turnover Fixed Grant Amounts (to cover a period of 13 December 2021 – 14 February 2022)
1-3	£5000	£3500	£2500
4-9	£10000	£7000	£5000
10-49	£15000	£12000	£7500
50-99	£20000	£15000	£10000
100+	£25000	£20000	£15000

I am a business with part of my business forced to remain closed, can I apply for the highest award?

If only a proportion of the business is closed (for instance a bar which also has a nightclub attached, or a travel agent which is only able to offer limited travel options), you will be eligible for the “other business with greater than 50% impact” category as long as you meet the other eligibility criteria.

I am a business in the hospitality or leisure industry which does not have a turnover of over £85,000, can I still apply?

Funding for these businesses is provided through the Non Domestic Rates (NDR) scheme operated by the Local Authorities if they pay business rates. Registration for this scheme will open on 13th January 2022 and remain open for two full weeks.

In addition to this, local authorities will be delivering a discretionary fund via a short application process for those businesses who are sole traders, freelancers and taxi drivers who will be able to apply for £1,000 and businesses that employ people but do not pay business rates will be able to apply for £2,000.

When can I apply?

Applications will be open in the week commencing the 17th January 2022 for businesses who meet the eligibility criteria and has a turnover of over £85k per annum.

What is the deadline for applications?

The applications will be open for 2 weeks.

What period will the funding cover?

Funding is to cover the period from 13th December 2021 to 14th February 2022

What time period do I need to show that I have had a 50% drop in turnover?

The turnover drop should be in comparison to the same time period in 2019 / 2020 (December 2019 and January 2020), or if you are a new business which started trading after that date then a broadly comparable 2 month period where trading was allowed.

To make the application you will need to estimate the drop in turnover for the period to 14th February 2022 to calculate the expected turnover drop, and will be required to provide evidence such as VAT receipts as part of the grant monitoring process.

I am a travel agent which can't fully trade because of travel restrictions, which category should I apply under?

Restrictions do not stop travel agents from trading although the trading conditions are very difficult. If your turnover for the period has dropped by more than 50%, you should select the "Other Businesses" category in your applications

I am a business that is impacted by the restrictions as I am unable to fully open indoors, but I am not sure if the turnover drop will be 50%, should I still apply?

You should only apply if you are confident that your turnover drop for the period 13th December 2021 to 14th February 2022 will drop by 50%, and should clearly explain the reasoning for this in the application form in the questions "How has the restrictions impacted your business".

Should it subsequently be found that the information is not correct then Welsh Government may recover any funds awarded to the business.

What information will I need to complete the Application?

On the final page of the checker there is a list of information you will need to have to complete the application. This includes:

- VAT registration Number (If applicable)

- Company Registration or Charity Commission Number (if applicable):
- The Sector the business works in
- Number of Staff (headcount and Full Time Equivalent) including those on Furlough
- Annual Turnover
- Bank account details – Bank , Sort code and Account number
- Which COVID-19 support funds you have applied for or been accepted for.

What is the difference between Headcount and FTE for Staff?

Headcount is the total number of people employed through PAYE.

FTE is the number of Full time staff working at least 30 hours per week. If a member of staff works less than 30 hours you should count them as part time so 0.5 of a job. If the job is less than 15 hours per week you should round up the hours to make 30 as a single FTE.

Example – Business employs 16 staff, 10 of which work 36 hours a week and 6 which work 18 hours per week. The headcount is 16, and the FTE is 13 as the 6 staff are 0.5 each.

What grants are included in totalling of all Grants received in the last 12 months that cannot exceed 100% of overall turnover for the same period?

An application can't receive more in total grant aid from the various schemes listed below in this financial year than they turned over in the last full financial year, or proportionally estimated for those new businesses that do not have a full years accounts.

Schemes forming the total of grant aid:

ERF Phase 1

ERF Phase 2

ERF Phase 3

Non Domestic Rates (NDR) linked grants

Local authority Covid-19 Discretionary Grants

Job Resilience Scheme

Non Domestic Rates Firebreak Grant

Non Domestic Rates Firebreak Discretionary Grant

Sector Specific Fund 1

Sector Specific Fund 2

ERF May and June

ERF July / August

Cultural Recovery Fund (Phases 1 and 2)

Third Sector Fund

Sport Wales Funds

If successful, when will I receive the funding?

Decisions for applications will be made on an ongoing basis once the fund is open, the intention is for decisions to be made within 6 weeks of the closing date of the fund.

I have already received funding from either the Welsh Government ERF, the NDR linked grant, Cultural Recovery Fund, ERF Restrictions Fund or other Welsh Government grant funds, can I still apply?

Yes you are still able to apply, however this grant may be taken in to account should further funding be made available in the future.

Is there a requirement for match funding?

No, this is an emergency fund intended to support your business survival and safeguard jobs.

Do I need to provide business accounts?

No.

I have an accountant / consultant who does all of my administration, can they apply on my behalf?

No, the application must be made by the owner / registered director of the business as when you sign the declarations in the form, this is a legal statement from the owner. Any applications made by anyone other than the owner or registered directors will be rejected.

What is the Economic Contract?

The Economic Contract is part of the Welsh Government's "Prosperity for All - Economic Action Plan". It is designed to enable the Welsh Government to develop a new and strengthened relationship with organisations and to drive inclusive growth and responsible business behaviours, including increasing the availability of fair work, green growth and climate resilience. It means that companies receiving support commit to a something for something approach that is built firmly on the principles of collaboration.

Will this fund cover redundancy costs?

No, the fund is intended as a means for businesses / organisations to maintain employment and will not cover any costs associated with redundancy

What monitoring will be undertaken?

There will be a post completion monitoring exercise undertaken after the end of the year and you will be required to report on the activities undertaken with the funding received and how the funding has supported your organisation.

