

**Rebecca Evans AS/MS**  
Y Gweinidog Cyllid a'r Trefnydd  
Minister for Finance and Trefnydd



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: RE-499-21

Llyr Gruffydd  
Chair, Finance Committee  
Senedd Cymru

2 March 2021

Dear Llyr.

I agreed to provide the Committee with further detail on the funding that has been allocated to support business during the pandemic. Please see the attached annex setting out the information requested.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans".

**Rebecca Evans AS/MS**  
Y Gweinidog Cyllid a'r Trefnydd  
Minister for Finance and Trefnydd

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

## Welsh Government Covid-19 Business Support

Funding	Date Operated	Offer
<p>Covid-19 Non-Domestic Rates (NDR) Grant Scheme</p> <p>Over £770m delivered</p>	<p>April 2020 – June 2020</p>	<p>A grant of £25,000 was made available for <b>retail, leisure and hospitality businesses</b> occupying properties with a rateable value of between £12,001 and £51,000.</p> <p>A £10,000 grant was made available to all businesses eligible for small business rates relief (SBRR) in Wales with a rateable value of £12,000 or less.</p>
<p>ERF Phase 1</p> <p>£400m</p>	<p>April 2020</p>	<p>Micro businesses, including start-ups, could have been eligible for up to £10k support.</p> <p>SME businesses between 10 and 249 employees could have been eligible for grants of up to £100k.</p> <p>Funding was available to support large businesses with more than 249 employees. Applications were considered on a case-by-case basis to consider where funding could be deployed most effectively to compliment other sources of support.</p> <p>Phase 1 was only for businesses who were VAT registered or exempt from VAT with turnover greater than £85k.</p>
<p>Covid-19 Wales Business Loan Scheme</p> <p>£500m</p>	<p>April 2020</p>	<p>The £100m Covid-19 Wales Business Loan Scheme was available for companies experiencing cash flow problems as a result of the pandemic and provides loans of between £5k and £250k at favourable interest rates. The fund was fully subscribed in the first week.</p>
<p>Start-Up Grants</p> <p>£5m</p>	<p>June 2020 – September 2020</p>	<p>The Welsh Government recognised that there was an identified need to support those who are self-employed but fall outside of the UK announced Self Employment Income Support Scheme (SEISS) because they only started trading during 2019. To address this need a £5m Start-Up Grant was launched to support up to 2,000 start-ups in Wales with a grant of £2,500 each. The scheme closed to new applications at 5pm on Friday 4<sup>th</sup> September.</p> <p>The Start-Up Grant provided a potential lifeline to those who established their business after the 31 March 2019, and help them to continue trading through the Covid-19 outbreak.</p> <p>The purpose of the grant was to support newly created businesses with immediate cash flow support to help them survive the economic consequences of the Covid-19 outbreak. The grant sought to complement other Covid-19 response measures to support businesses, social enterprises and charitable organisations in Wales.</p>

## Welsh Government Covid-19 Business Support

<p>ERF Phase 2 £300m</p>	<p>June 2020 – July 2020</p>	<p>The second phase of ERF released £200m and then a further £100m of funding to target micro, SMEs and Large businesses of critical social or economic importance to Wales.</p> <p>Micro businesses were eligible for up to £10k support.</p> <p>SMEs were eligible for up to £100k support.</p> <p>Large businesses were eligible for up to £690k in compliance with temporary State Aid rules.</p>
<p>Cultural Recovery Fund £63m</p>	<p>September 2020 – October 2020</p>	<p>A non-repayable grant of up to £150,000 (up to 100% of eligible costs) per organisation was made available via two application entry points:</p> <ul style="list-style-type: none"> <li>- Under £10,000: quick process for smaller organisations based on eligible costs</li> <li>- Between £10,000 to £150,000: more detailed process based on eligible costs</li> </ul> <p>A separate element of the Cultural Recovery Fund, worth £27.5 million, was delivered through the Arts Council of Wales to support theatres and galleries. This fund was launched 17 August and applications are now closed, applicants were not able to apply for both Arts Council for Wales and Welsh Government Funding.</p>
<p>Childcare Provider Grant £4m</p>	<p>August 2020 – October 2020</p>	<p>Childcare providers including child minders, nurseries, cylch meithrin, crèches and out of school clubs could apply for up to £5,000 to cover loss of income between 1 April 2020 to 30 June 2020.</p>
<p>Cultural Recovery Fund Freelancer Grant £10.5m</p>	<p>October 2020</p>	<p>Covid Freelancers working in the cultural and creative sectors in Wales were able to apply for their share of a £7 million fund – which was targeted specifically at those in the freelance sector hit hardest by the coronavirus (COVID-19) pandemic.</p> <p>The fund opened on 5<sup>th</sup> October and will run over two phases. Individuals could apply for a £2,500 grant. The fund will be open to freelancers in the sub sectors of arts, creative industries, arts and heritage events, culture and heritage, whose work has direct creative/cultural outcomes. The Phase 2 of the Freelancer Fund has opened for applications.</p> <p>A further £3.5m was made available through the third phase of the Cultural Recovery Fund to support the Freelancer Fund. Applications for phase 3 opened from Monday 23 November to freelancers in the creative sector.</p>

## Welsh Government Covid-19 Business Support

<p>ERF Phase 3 – Business Development Grants</p> <p>£100m</p>	<p>October 2020 – November 2020</p>	<p>Phase 3 of the Economic Resilience Fund (ERF) made available almost £300m for businesses to help them deal with the economic challenges of Covid-19 and the UK’s impending exit from the EU transition period.</p> <p>The ERF was open to businesses of all sizes and all sectors across Wales, including social enterprises and charities, subject to eligibility criteria being met, and included:</p> <ul style="list-style-type: none"> <li>• <u>Business Development Grants</u>: £100m to help businesses develop and secure the employment of their workforces through business development grants with some firms required to commit some of their own resources in return.</li> <li>• <u>Tourism and Hospitality Support</u>: £20m of the £100m Business Development Grants has been ring-fenced to support tourism and hospitality businesses facing particular constraints and challenges as we enter the winter months.</li> <li>• <u>Lockdown Business Fund</u>: £199.5m to support businesses that are affected by lockdown restrictions, including a discretionary grant element (further details listed below)</li> </ul> <p>ERF Business Development Grants opened for applications on 28<sup>th</sup> October and closed on 29<sup>th</sup> October due to the high volume of applications. The Lockdown Business Fund closed for registrations on the 20<sup>th</sup> of November.</p>
<p>ERF Phase 3 – NDR Lockdown Fund</p> <p>£199.5m</p>	<p>October 2020 – November 2020</p>	<p>The third phase of ERF also included a £199.5m Lockdown Business Fund which was delivered by local authorities. The fund provided the following to eligible businesses:</p> <ul style="list-style-type: none"> <li>• Retail, leisure and hospitality businesses forced to close (as defined by <a href="#">the regulations</a>) during the firebreak lockdown period occupying a property with a rateable value between £12,001 and £51,000 were eligible for a £5,000 payment.</li> <li>• Every business eligible for Small Business Rates Relief occupying a property with a rateable value of £12,000 or less were eligible for a £1,000 payment.</li> <li>• A discretionary enhanced £2,000 top-up grant was made available on an application basis for those businesses with a rateable value of £12,000 or less who were forced to close by the firebreak lockdown (as defined by <a href="#">the regulations</a>).</li> </ul>

## Welsh Government Covid-19 Business Support

		<ul style="list-style-type: none"> <li>A further discretionary enhanced £1,000 grant was made available to businesses on the same basis where they had been materially affected by local lockdown restrictions prior to the start of the firebreak lockdown period.</li> </ul> <p>The Lockdown Business Fund closed to registrations on the 20<sup>th</sup> of November.</p>
<p>NDR Restrictions Business Fund</p> <p>£160m</p>	<p>December 2020 - March 2021</p>	<p>The Restrictions Business Fund non-domestic rates (NDR) and discretionary based grants for non-essential retail, hospitality, leisure and tourism (NERHLT) sectors is providing payments to cover the period between the December and end of March 2021 for businesses affected by national restrictions.</p> <p>This will provide businesses with a minimum combined £6k-£10k grant before taking into account support via the Economic Resilience Fund (ERF) Sector Specific Fund, Job Support Scheme and the wider package.</p> <ul style="list-style-type: none"> <li>NERHLT businesses in receipt of Small Business Rate Relief (SBRR) and with a rateable value of £12,000 or less will be eligible for <b>£6,000</b>. Supply chain businesses qualifying for SBRR will also be eligible for this support if they have greater than 40% reduction in turnover during the restriction period.</li> <li>NERHLT businesses with a rateable value of between £12,001 and £51,000 will also be eligible for <b>£10,000</b> if impacted by the restrictions. Supply chain businesses in the same rateable value bracket will also be eligible for this support if they have greater than 40% reduction in turnover during the restriction period.</li> <li>NERHLT businesses with a rateable value of between £51,001 and £500,000 will also be eligible for <b>£5,000</b> if impacted by the restrictions. Supply chain businesses in the same rateable value bracket will also be eligible for this support if they have greater than 40% reduction in turnover during the restriction period.</li> <li>NERHLT businesses with a rateable value up to £150k who registered and received the ERF Restriction Fund Grant in December/January via their Local Authority will begin receiving payments into their bank account during February. These businesses will not be required to re-register their details.</li> </ul>

## Welsh Government Covid-19 Business Support

		<p>Eligible businesses who haven't received the grant to date must register and can also register for the previous period at the same time.</p> <p>The extension is providing support to retail, leisure and tourism business properties with rateable values of between £150k and £500k p.a. This will enable support to be provided to a cohort of medium sized firms that to date have not received support via the BRF grants schemes. These businesses will be required to register their details, as well as making a short on-line application to their respective local authority.</p> <p>Businesses can access the registration and application process through the Business Wales and local authority websites. <a href="https://businesswales.gov.wales/coronavirus-advice/erf-restrictions-business-fund">https://businesswales.gov.wales/coronavirus-advice/erf-restrictions-business-fund</a></p> <p>To support businesses who are not registered on the NDR register and with a turnover below £50k, a further £30m phase of the Local Discretionary Fund has also been approved and will provide a £2,000 grant via a second round application and payment. Businesses will need to submit an application to the fund.</p>
Barriers Grant £1.2m	December 2020 – March 2021	<p>Applicants will be able to apply for up to £2,000 to support essential business costs, based on need and supported by a business plan.</p> <p>All applicants will be required to register with Business Wales to receive business support from one of our providers to help them consider the viability of their business idea and develop a business plan. Support is also available for from Big Ideas Wales, our Enterprise Hubs or Social Business Wales.</p> <p>The Business Wales Barriers Fund is open to applications until <b>19th March 2021</b>, or sooner if funds are used up before that date. Further details on how to apply and to register with Business Wales can be found on the Business Wales website: <a href="https://businesswales.gov.wales/business-wales-barriers-grant">https://businesswales.gov.wales/business-wales-barriers-grant</a></p>
ERF Sector Specific Fund £180m	January 2021 – February 2021	<p>The £180m ERF Sector Specific Support (operating costs) package was targeted at hospitality, tourism and leisure businesses or supply chain companies who are materially impacted with a greater than <u>60%</u> impact of turnover as a result of the restrictions. Eligible businesses had to be employing staff via PAYE, and either VAT registered or (exempt from VAT) with turnover above £85,000, or limited companies with turnover above £50,000.</p>

## Welsh Government Covid-19 Business Support

Businesses who have accessed the ERF Restrictions Business Fund could also apply for this fund. For eligible businesses the package of support provided the following grant awards:

- For single employee business, minimum grant of £2,500
- SMEs (up to 249 employees) - £1,500 per employee up to a maximum of 10 employees, representing £15,000 or for those employing more than 10, £1,500 per employee or self-declared operating costs for the restricted period (whichever is the lower amount).

There would be an upper limit of £100,000 for SME businesses with a digital system based application.

- Large businesses (250+ employees) - £500 per employee for Welsh headquartered large business applicants to a maximum of £150,000, with a manual case by case application via the sector team.

An eligibility checker and calculator tool was available on the Business Wales website. The ERF Sector Specific Fund opened to applications on the 13<sup>th</sup> January 2021 and closed on 29<sup>th</sup> January 2021.