

Seafood Response Fund – External FAQ

Why this funding is needed?

Government statistics and analysis evidences that fishing businesses have continued to experience substantial adverse impacts in export, hospitality and processing markets affected by the coronavirus pandemic and/or disruption to seafood exports earlier this year.

What is the support for?

The fund will directly contribute towards the fixed business costs of approximately 2500 fishing and shellfish aquaculture businesses across the UK.

What payments will be available?

Funds payable under the SRF to fishing vessel owners are calculated from the average fixed business costs for the size of the vessel, as surveyed and published by Sea Fish Industry Authority (Seafish), in their 2018 economic survey.

Eligible businesses owners will receive one payment covering a 3-month period (January 2021 to March 2021).

For the catching sector amounts will vary according to the overall length of the vessel, as detailed in the table below, up to a maximum of £10,000 per vessel.

Vessel length	Average fixed costs (monthly)	Total payment (up to £10,000 per vessel)
0 to 5.99m	£800	£2,400
6 to 7.99m	£1,200	£3,600
8 to 9.99m	£2,600	£7,800
10 to 11.99m	£4,400	£10,000
12 to 14.99m	£7,700	£10,000
15 to 23.99m	£13,200	£10,000
24 to 39.99m	£26,900	£10,000

For the aquaculture sector, payment is set in bands based on validated Full-Time Equivalent (FTE) employee number, which provide an indication of the scale of the business. The table below indicates the amount payable per band up to a maximum of £10,000 for each farm.

Shellfish farm size	Costs covered per month	Total payment (up to £10,000 per farm)
<0.5 FTE	£1,388	£4,164
0.5 to <1.5 FTE	£2,776	£8,328
1.5 to <2.5 FTE	£5,552	£10,000
2.5 to <3.5 FTE	£8,328	£10,000
3.5+ FTE	£10,000	£10,000

Is the SRF a 'tie-up' scheme?

No, the fund provides targeted support to help businesses cover their fixed business costs during this challenging time for the industry.

Businesses may continue to fish and still receive this funding – evidence is required of the vessel having fished at some time during the winter months in the last four years.

Businesses may also qualify for other Government support. MMO has produced [a guide](#) to what is available.

Who is administering the SRF?

MMO will administer the fund across the UK on behalf of the Department for Environment, Food and Rural Affairs (Defra). MMO has successfully delivered over £100 million through funds for fisheries and coastal communities in five years as well as last year's £9 million Fisheries Response Fund (FRF).

Is MMO big enough to cope?

Yes. We have prioritised this area of work and mobilised quickly with a simple system able to provide a high level of service as we administer the payments.

How do eligible businesses apply?

There is no need to apply. MMO will contact eligible businesses directly, in phases, by email from the week commencing 8 March 2021.

A link to the online system will be provided, where you can confirm your details. If you've used the system before, there is no need to re-register. If this is the first time you've used the system, you will need to register for an account using your e-mail address.

Please submit details by the given deadline in order to expedite payment.

What if I have not been contacted?

If you believe you meet the published eligibility criteria but have not been contacted by MMO directly by 21 March 2021, you will be able to submit your details and evidence of meeting the criteria via a link that will be published on this page from 22 March to 26 March 2021.

Who is eligible for support?

Qualifying fishing businesses must meet the following criteria:

- They must be the owner of a fishing vessel of under 40m in overall length registered in the UK
- Vessels must be licenced to fish by the relevant UK fisheries administration in which they are primarily administered. *Vessels administered by Crown Dependencies or Overseas Territories are not included within this scheme.*
- The vessel must be currently registered with the Maritime and Coastguard Agency
- The vessel must have had sales of £10,000 or more, recorded on sales notes supplied by registered buyers and sellers of fish, between 1 January 2019 and 31 December 2019
- The vessel must have evidence of landing fish caught over the winter period (December, January, February and March) in the years 2017 – 2021.

For aquaculture, businesses must:

- Operate an active shellfish aquaculture farm in the UK, cultivating and harvesting shellfish for consumption such as mussels, clams, oysters

- Be authorised by the relevant fish health inspectorate in which the business operates

Businesses can receive support under the SRF for each eligible farm or fishing vessel they own.

Businesses that have applied to the Scottish Seafood Producers Resilience Fund (SSPRF) may still be eligible, if they received less than they would have been paid from the SRF. These businesses will be contacted direct and any sum received from the Scottish scheme will be deducted from the SRF payment.

Businesses that have applied for funds from the Seafood Disruption Support Scheme (SDSS) may also qualify for the SRF.

Are all aquaculture businesses eligible?

The fund supports businesses that actively farm shellfish. It does not apply to:

- Shellfish hatcheries, or businesses involved only in the supply of juvenile shellfish for aquaculture
- Businesses involved only in the processing of shellfish or seafood products
- Aquaculture farms that produce anything other than shellfish (ie salmon or trout farms or lobster pools)

For the catching sector, how have you calculated the fixed business costs contribution?

Fixed business costs are calculated from the average fixed business costs for the size of the vessel, as surveyed and published by the Sea Fish Industry Authority (Seafish), in their 2018 economic survey. Seafish's definition of fixed costs is: "Vessel owner costs (insurance, repairs, gear, hire & maintenance, other vessel expenses), depreciation, interest and other financial costs". It does not include variable costs, such as crew costs and fuel.

How have you defined vessel length?

Vessels have been grouped into categories based on their 'overall length'. This information is supplied by the Marine and Coastguard Agency from the Register of Shipping and Seamen. A vessel's 'registered length' is a distinct parameter to 'overall length' and has not been used to group the vessels.

Why have you chosen to use 'overall' length?

'Overall length' in almost all cases is longer than registered length and is the most commonly used measure for the purposes of fisheries management. The descriptions of fishing boats as under-40m or under-12m is referring to their overall length, which is also the measure used to calculate average fixed business costs.

Why are you basing eligibility on registered business sales?

Sales have been assessed using information held by the MMO, which is sales notes supplied to UK fisheries administrations by registered buyers and sellers (domestic and foreign).

Why are vessels 40m and over not included?

Like all other funds, there is a limit. We recognise the whole of industry is impacted but we have used the fishing evidence available to identify which parts of the fleet have been most impacted. We have allocated this finite fund fairly across those sectors.

Why are vessels with sales of less than £10,000 not included?

Like all other funds, there is a limit. We recognise the whole of the fishing industry is impacted and we have used the evidence available to identify which parts of the fleet are seeing the greatest commercial impact.

We recognised the impact on our smaller fishing fleet in particular, which is why we decided to make payments to vessels operating at a commercial level with sales of £10,000 and over in a year.

Will MMO use information from the recently launched digital catch app?

We are basing the eligibility criteria on recorded sales of fish to registered buyers and sellers as this data helps us to identify the parts of the fleet most financially impacted.

The digital catch app is used by under-10m fishing boats to record the size and type of their catch, not what is sold.

What if someone has just bought a boat within the last year?

The vessel will qualify if there were sales of more than £10,000 or more as recorded on sales notes supplied to registered buyers and sellers during the period 1 January 2019 to 31 December 2019 and meets the other criteria including evidence of landing fish over the winter period.

For shellfish farms, how have you defined the payment bands?

Businesses have been categorised into funding bands, according to the number of full-time equivalent employees (FTE), as recorded in the latest validated records available from the Fish Health Inspectorate (FHI) in 2018. This data has been selected as the best available verifiable data for the sector, providing an indicator of scale and business performance.

How have you calculated the operational costs of production?

Average monthly operational costs of production have been calculated using publicly available data from the Scientific, Technical and Economic Committee for Fisheries (STECF) from 2016, with an increase to account for inflation.

What if my aquaculture business has more than one farm and my staff work across all of them?

The payments will be made per farm. Where a business runs more than one farm, the recorded total number of full-time equivalent employees will be proportioned pro rata across each farm.

Why are hatcheries or other associated businesses not included?

Like all other funds, there is a limit. We recognise the whole of industry is impacted but we have allocated this finite fund towards the sectors that directly produce shellfish for consumption.

The support scheme for eligible businesses will ensure that where practical the supply chain continues to flow and processors and other facilities are still able to access shellfish. Other parts of the seafood chain are more likely to benefit directly from measures already announced by government to support business.

Why use 2018 figures for the aquaculture payment?

These are the most recent validated figures which are held by the fish health inspectorates in each administration.

What if someone has bought and operated a farm or extended their operations since 2018?

Businesses or farms that opened or expanded their FTE employees in 2019 or 2020 should contact the MMO. They will be required to provide verifiable evidence of their FTE employee numbers in 2019 and 2020.

Who will receive the payment if there is more than one farm in the business?

The operator of each eligible farm will be contacted by the MMO. Payments will be made into the bank account nominated by the operator.

Can I apply for other grants as well as this one?

You may apply for other government funds. Businesses that have already applied to the Scottish Seafood Producers Resilience Fund may be eligible where funding under the Scottish scheme is of less value than that they would have received under the UK scheme. Where this is the case businesses will be contacted direct.

Why have Wales also announced a separate support scheme?

Each administration is free to provide additional support to other parts of the sector that are not captured by the SRF. However, we have been in discussions with Welsh Government and will ensure that the schemes complement each other and there is no dual funding to applicants.

With so many schemes how do I know which one to apply for?

If you are eligible for the UK SRF scheme you will be contacted directly by the MMO and invited to apply for the scheme. We are working with both Marine Scotland and the Welsh Government to ensure that the schemes work in conjunction with each other and agreements will be in place to ensure we can review payments and ensure that there is no duplication of payments.

Do I get less money under the UK SRF scheme than the devolved equivalents?

Each scheme has been designed in a slightly different manner and the SRF guidance explains the support that would be available to a business based on vessel or aquaculture FTE business numbers.

If you have received an invite through the SRF you will be asked to declare any other funding you have received, and this will be cross checked with other administrations to ensure there is no duplicate payments to businesses.

Why am I required to declare if I have received payment from other government schemes in relation to my fishing vessel or business across the UK, as a result of Covid-19 or EU Exit?

This question is asked to ensure duplicate payments are not issued from SRF and other schemes also operated by the devolved administrations. If you received payment under last year's Fisheries Response Fund (FRF) it does not impact on your eligibility under the SRF, as this is a separate fund.

This information is also required for statutory reporting purposes aligned to caps on funds issued under the EU Temporary State Aid Framework, which remain applicable in Northern Ireland. More information of the EU State Aid Framework is provided in this FAQ.

Where is the money coming from?

The SRF is funded from £23m provided by Government to help seafood businesses suffering from the downturn in markets due to the coronavirus pandemic and disruption at the EU borders in January.

Market sector statistics and industry feedback shows that the sector, particularly shellfish, has suffered significant losses during the pandemic and particularly during the third lockdown, with the additional pressures of winter weather and potential export disruption.

Why is there a maximum amount payable for SRF?

This additional support, like all other government schemes, has limited funds available.

How are you helping businesses that can no longer export live bivalve molluscs (LBM) in class b waters (not for human consumption) to the EU?

This Seafood Response Fund will support seafood businesses who are suffering difficulties through prolonged disruption caused by Covid-19. The scheme is not specifically focused at the LBM sector. However, LBM businesses that meet the qualifying criteria will receive payment.

In England, funding is available through the Maritime and Fisheries Fund for applications from seafood businesses looking to adapt their businesses to new requirements. This includes LBM businesses looking to adapt their business models.

In England, this funding is delivered by the Marine Management Organisation. Seafood businesses in the rest of the UK should contact their fisheries administrations to see what development support may be available to them

Does the SRF have a complaints and disputes process?

MMO is committed to providing good customer service. If you are not satisfied with our service please let us know and we will do our best to resolve the matter as quickly as possible.

For complaints about the quality of customer service, please contact us using our [published customer complaints procedure](#).

More information?

Further information available at www.gov.uk/seafood-response-fund. To allow the grants team to work as quickly as possible, please avoid contacting them unless you have a query on a live application.

Seafood Response Fund
Telephone: 03300 416579
Opening Hours: 9-5 Mon-Fri
Email: UKFisheriesSupport@marinemanagement.org.uk

Information about the EU Temporary State Aid Framework - applicable to grants made in Northern Ireland

1. Why are you referencing EU state aid rules in a UK scheme?

Under the Northern Ireland Protocol EU state aid rules continue to apply to grants in Northern Ireland.

Funding under this scheme to businesses in Northern Ireland will be given under the EU Temporary state aid framework

2. How do I know if funding was received under the temporary framework?

The temporary framework is the state aid cover used for most Covid grants or schemes in the UK during 2020. If you received any public funding as a result of Covid it should be clear on the scheme documents that this aid was given through the temporary framework and should be declared during your application.

3. Why do I need to declare this?

Funding under the temporary framework is capped at €120,000 per undertaking. You are required to declare previous funding to ensure this ensure threshold is not breached.

4. How are you defining a micro or small business? What rules apply to me under the temporary state aid framework?

A micro or small enterprise is defined as an undertaking with less than 50 employees and less than €10 million of annual turnover and/or annual balance sheet total.

Micro and small enterprises are now subject to a light touch test, which only focusses on whether the aid recipient was subject to insolvency action on 31 December 2019 and had outstanding obligations under the Rescue and Restructuring Guidelines

5. What if I am a medium or large business?

If you are a medium or large business in Northern Ireland, you are subject to the full 'undertaking in difficulty' test.

6. What is an 'undertaking in difficulty'?

An undertaking in difficulty' means an undertaking in respect of which at least one of the following circumstances occurs:

(a) In the case of a limited liability company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, 'limited liability company' refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU (4) and 'share capital' includes, where relevant, any share premium.

(b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, 'a company where at least some members have unlimited liability for the debt of the company' refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.

(c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.

(d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.

(e) In the case of an undertaking that is not an SME, where, for the past two years:

- (1) the undertaking's book debt to equity ratio has been greater than 7,5; and
- (2) the undertaking's EBITDA interest coverage ratio has been below 1,0.