

GROWING PLACES FUND GRANT APPLICATIONS

Introduction

With a successful track record of the previous Growing the Humber and Growing Hull & East Yorkshire funding programmes we want to continue helping those businesses at the next stage of their development and who are continuing to support a vibrant local economy in both the Hull & East Yorkshire region.

Normally, grants are awarded to small businesses with the aim of generating jobs, energising local communities and strengthening the economy.

In order to ensure companies continue to be successful we have put together some Frequently Asked Questions that you may find useful when considering applying for a grant. We have probably not covered every question you may have, but if in doubt please contact us for a chat. We are happy to help.

Good luck with your application and we look forward to working with you and your business.

Is my business eligible for funding?

Your business must be located within Hull or East Riding of Yorkshire and ideally be an SME.

The EU definition of an SME is:

- Must have fewer than 250 employees
- Has an annual turnover that does not exceed €50m or annual balance sheet not exceeding €43m.

We are not looking to fund large enterprises or significant inward investments. If you think you may fall into this category please contact the Programme Delivery Team for further information .

Why should I apply for a grant?

Applying for a grant is always a great idea. It takes much-needed pressure off you to secure funding for your business, and you won't need to worry about paying this funding back.

Is my proposed project eligible?

A grant can only be for capital purchases. It cannot be used for revenue items such as day to day running costs, maintenance, rent, wages, software subscriptions, energy bills or for buying in stock.

What do you mean by 'Business Growth' and what is it?

Business Growth is not a one definition covers all instances type of section, because no two businesses are ever the same. Your business growth could be, for example, a new product, or service. It could be a diversification from your day-to-day trading, perhaps expansion. Ideally we are looking for something that increases your productivity and creates new jobs.

For further assistance with this area please contact the Programme Delivery Team for advice, support and assistance.

What funding is available?

Enterprise	% Of total project costs (intervention rate)
Large (249+ FTEs) Enterprise	Up to 10%
Medium (50 – 249 FTEs) Enterprise	Up to 20%
Small (10 – 49 FTEs) Enterprise	Up to 30%
Micro (Less than 10 FTEs)	Up to 50%
Enterprise/Community Groups	
Please be aware that the above percentages are at the discretion of the Investment Panel and subject to UK Subsidy Control.	

Please note that if you have a Start Up businesses i.e. have been trading for less than 1 year any potential grant award will be capped at £20k.

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Is my proposed project eligible?

To help you with what is eligible and non-eligible here are some examples, along with a brief explanation:

Eligible

IT Equipment:

New equipment, specialist software and website development where the primary purpose is to create an additional sales platform

Office equipment & furniture:

Where the purchases are supporting expansion activity, e.g., desks and computers for new members of staff these would usually be eligible.

Plant, Equipment and Machinery:

Refurbishment, alterations and building work associated with the re-purposing or extension of premises

Ineligible

IT Equipment:

Microsoft Office Packages and renewal of software licences.

Advertising:

Costs associated with marketing, promotion, and sales (including signage and branding).

Associated Costs:

Such as working capital, rental payments, overheads, consumables, salaries, recruitment and essential maintenance.

Costs associated with the preparation of the funding application, including but not confined to consultancy fees, planning application charges, structural surveys, design fees and building regulation fees.

Costs associated with contingencies or preliminaries.

Transport & Vehicles:

Transport and vehicles are generally not eligible for support, except where the purchase of these is tied to a specific business proposition and advancing community resilience. For example, eligible vehicles might include community access cycles or an electric services van.

Property Refurbishment

Property refurbishments and alterations may be funded with the aid of a grant, only where they are essential to the Company's plan for business growth and linked to the capital investment, but are more likely to be offered a loan.

What is meant by displacement?

Displacement refers to the extent to which a grant award may displace business from a competitor trading in the same industry, within the same Region. Whether that be a financial or employment disadvantage. Please note that in cases where displacement may be an issue you will need to provide a strong case, with your application pack, that clearly demonstrates this will not apply to your business.

If in doubt about what is eligible, please speak to your Business Support Advisor or a member of the Programme Delivery Team.

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FAQ

How do I apply for a Grant?

The first step is to complete an Expression of Interest, which can be found on the HEY LEP Website (please follow this link <https://heylep.com/our-funding-and-projects/funding/>). Once this has been submitted the Programme Delivery Team will be in touch with you, usually by email, to send you out an Application Pack or to let you know why your EOI cannot be progressed and offering you alternative advice/support. You are normally given a deadline of about 4 weeks to submit a Full Application. Please see below for an illustration of the process:

1.
Company submits
Expression of
Interest (EOI)

2.
EOI Appraised by a
member of the Programme
Delivery Team.

3.
If EOI does not meet the programme's
key criteria and is ineligible it will be
declined by the Programme Delivery
Team, but referred to the relevant
Growth Hub Advisor for alternative
business support.

4.
Applicant submits full
application to
Programme Delivery
Team.

Grant requests below £200K

Grant requests above £200K

If grant request below £200K, project eligible and meets the key criteria of the programme the EOI will be progressed to application stage.

If grant request above £200K, project eligible and meets the programme's key criteria the EOI will be appraised and submitted to the Investment Panel for their approval to progress to application stage. All Applications will be subject to external due diligence prior to submission to the Investment Panel for a funding decision.

Application, below £200K is appraised by Programme Delivery Team and submitted to the Investment Panel for a funding decision.

Application, above £200K is appraised by Programme Delivery Team, evaluated by external Due Diligence and submitted to the Investment Panel for a funding decision.

5.
Applicant is advised of the
Investment Panel's decision and
following a funding award will
receive an email confirming the
grant awarded and terms of the
offer.

6.
Following a successful award the
Applicant will receive an official
offer letter from Hull City Council
confirming the award and outputs
to be achieved.

7.
The Programme Delivery Team
will appraise claims and monitor
delivery of the project and
outputs.

GROWING PLACES FUND



How hard is it to apply for a grant?

The key to success is ensuring that you have all of the information you need readily available to complete both the Expression of Interest and the Application Form. We do recommend that you read the Programme Guidance to check what is required and get all of the financial forecasts, business plan, etc., put together in advance. It is worth considering the following points before deciding to apply for a grant:

- Can you create a realistic financial forecast to show your business' financial position?
- You will need to provide evidence that shows how/why your business is eligible.
- Can you put together a business plan that will specify exactly what your business plans to do with the potential grant award.
- Provide evidence that your team will be able to successfully meet your objectives
- Be clear about the exact outcome you expect.
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You will find it useful to work with your Business Support Advisor when starting to think about applying for a grant.

How long will the application take to be evaluated?

We ask you to allow approximately one month for a full appraisal of your completed application to take place before it is sent to the Investment Panel for their consideration. The Investment Panel meet every month during the year. Following the meeting you will be advised of their decision within the next couple of days.

I've already had a grant from the HEY LEP/Humber LEP, Can I apply for another?

You can apply for a further grant. Before applying, please ensure you have achieved all of your outputs and spend on any grants you may have already been awarded. If your FTE headcount has fallen since your last grant, you will be asked to provide additional information explaining this shortfall. If you have received more than 4 grants then anything further will be at the discretion of the Investment Panel and only in exceptional circumstances.

What is match funding?

Match funding is the money your business provides to fill a funding gap. Match funding can be a bank loan, Hire Purchase, Asset Finance, Company Funds etc. All match funding needs to be in place before applying for a grant.

Who can I ask for help with my application?

HEY LEP

If you have any questions about the funding and application process, please contact the HEY LEP on 07496 315038 or email funding@heylep.com.

Growth Hub Advisors

For additional advice and help with completing the application or preparing the supporting documentation, you are recommended to contact the Growth Hub. An advisor will be allocated to you who can support and advise you with the application.

I've already started my project, can I still apply for funding?

If work on a project has started (including if items have been ordered, deposits paid or work started) then it is not eligible for financial support. Grant funding should be claimed for work undertaken after an application has been submitted and a written offer made.

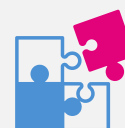
What documents do I need to include with my Application Form?

Please refer to the Programme Guidance for a full list of what is required.

The following three documents are the information our Investment Panel will look at prior to any potential grant being awarded. Please ensure that these are accurate and comprehensive.

1. Business Plan - make it specific/interesting/informative

- We appreciate that every business is different and that every business plan will be different. When putting together this document you may find it useful to think about the following, where appropriate:
- What is your core business?
- What is your project?
- What are your plans once you've been awarded a grant?
- How will your new project affect/improve your core business ?
- S.W.O.T - have you considered your Strengths, Weaknesses, Opportunities & Threats?
- Marketing - have you done any marketing to see how your new project will be received?
- Are there any anomalies in your historic or forecasted figures you need to tell us about?
- Competitors - are they local? Are you offering something different?
- Please include a brief overview of your figures - make sure they all tie up.



These are just things you may want to consider. It is your Business Plan.

2. 3-year financial forecast

A 3-year financial forecast is required to prove that your business is on track for growth.

The financial forecast must include - Profit and Loss, Balance Sheet and Cash Flow and cover 3 full years from year-end to year-end.

The figures you use in your Financial Plan must tie up with those you use in any other document you submit. If you are paying out dividends please tell us about that.

Please ensure your figures are realistic - if you are going from a turnover of £0.5K to £20m in 5 years please explain or it looks unrealistic.

Please speak to your Business Advisor/Growth Hub Advisor/Programme Delivery Team if you need help.



3. Fully completed Application Form

Now that you have done your research, found a grant that seems to be a good fit, you need to complete the Application Form. Have you looked through the Programme Guidance for useful tips on what you will be asked, made some notes with your answers? Or maybe you have already done all of that and are now ready to complete each section. It is essential that you read each question carefully and answer it fully.

An application can take much longer to appraise and possibly be unsuccessful if you have not taken the time to include everything. Think of it as a recipe where you need to bring together all of the key ingredients to be successful. Filling in an Application Form is exactly the same. You just don't get to eat it afterwards!



GROWING PLACES FUND



Why do I have to provide quotations?

When awarding a grant, we need to provide an audit trail and quotations are an important part of the process in ensuring value for money has been obtained.

Do I have to choose the cheapest quotation?

No, the quote process is about ensuring due diligence, market fairness and value for money have been considered.

How many quotations will I need?

A company looking for a service/equipment would be expected to shop around for the most appropriate, best value or best quality quotation they can find.

Ideally, we ask for three comparable quotations for all works. However, we are prepared to consider this on a case-by-case basis, as we appreciate that some equipment may be of a specialist nature where there are a limited number of suppliers. We also understand that there may be times when a company finds it difficult to obtain three quotations. Please do speak to a member of the Programme Delivery Team for support/advice.

What happens if I have to buy equipment from a different supplier?

We understand that sometimes suppliers are unable to fulfil your order. This is not a problem as long as the equipment you buy elsewhere is on a like for like basis and for a similar cost. If you find the equipment you wanted is unavailable anywhere else, please do contact a member of the Programme Delivery Team.

How and when will my grant be paid?

All grants are paid retrospectively. The purpose of a grant is to help a business sustain its financial stability when additional cash flow may have been used to purchase extra equipment/services. A grant allows an injection of the cash spent to go back into the business at a time when it is needed most.

We encourage you to submit regular claims, ideally as soon as you have paid for something. Claims are typically paid within a week of your full paperwork being submitted to the Programme Delivery Team. The Team will spend time taking you through every stage of the Claims Process after the grant has been approved.

What are outputs?

‘Outputs’ are what we would expect to be created as a result of the investment being made; e.g. the number of people you will be employing or safeguarding as a result of your project.

The Outputs that we will be looking to you to deliver in return for the investment are:

- New Jobs
- Commercial Floor space – New or refurbished

How many jobs would I be expected to achieve in return for the grant award?

It is generally expected that a minimum of 1 new job per £15K of grant award is achieved.

Safeguarded jobs can only be included if they are directly linked to your overall project.

What are green outcomes?

‘Outcomes’ are the changes that will take place due to your project, and the evidence that proves it. If you’re seeking funding as part of an initiative to make your business more sustainable, you will need to prove your business’ dedication to carrying out eco-friendly practices, with evidence of CO₂ reductions, which may be adopting more sustainable ways of using/reducing fuel. Please have a look at the Carbon Trust Website for more information on measuring these outcomes. (<https://www.carbontrust.com/resources/sme-carbon-footprint-calculator>)

Positive environmental impacts could include:

- improvements in energy efficiency
- reduction of carbon emissions
- using renewable energy
- enhancing natural habitats
- reducing waste generation
- using recycled materials

Your Growth Hub Advisor/Business Advisor and Programme Delivery Team can support you with the application process. If you need help and are not sure quite what is required, please do ask. It may make the difference between a successful application or a lost opportunity.

We are happy to help every step of the way from your initial Expression of Interest through to a grant being awarded.

If you have a question that we have not already answered about the funding scheme please do get in touch with the Programme Delivery Team!

TEL: 07496 315038 or E-mail: funding@heylep.com

