

**Nottingham City Council**

**UK Shared Prosperity Fund**

Business Growth Grant

2023-2025

Applicant Guidance Notes



1. **Introduction**

This guidance is intended to provide information to potential applicants to the Nottingham City Council Business Growth Grant

The grant aims to support businesses to exploit their existing offer or introduce new systems, software or other physical/intellectual items to grow their business, improve performance raise productivity and increase employment

Funded through the UK Shared Prosperity Fund (UKSPF)), the grant operates over two stages – an Expression of Interest followed by a Full Application. Projects will be invited to the Full Application stage if they pass eligibility checks. The Scheme will remain open to applications until all funding has been committed.

1. **Background**

The Business Growth Grant forms part of Nottingham City Council’s support for local businesses, which aims to help businesses find the support they need to grow and evolve. The Grant allows Nottingham City Council to offer direct support to businesses to achieve their aspirations for growth.

This grant aims to support growing businesses to improve competitiveness, productivity and their ability to take advantage of commercial opportunities.

1. **Grant Amount and Match Funding**

The minimum grant available is £1,000

The maximum grant available is £10,000.

Grants are available to fund **50% of the total project cost** (excluding VAT). See the table below for funding examples.

You will be expected to fund and evidence 100% of the project cost upfront from your own resources, 50% will then be reimbursed to you by way of a grant award. Ultimately, you will have match funded 50% of the total project cost (excluding VAT).

There is no maximum project cost, but the maximum grant will be capped at £10,000.

All grants are made at the discretion of Nottingham City Council and are subject to availability. Section 9 below details the application process.

1. **Eligible Projects**

The Business Growth Grant aims to support projects that deliver some, or all, of the following outcomes:

* Improved **productivity and efficiency**
* **Jobs created or safeguarded** and improved profitability
* Increased **competitiveness** enabling businesses to take advantage of commercial opportunities.

The table below outlines examples of eligible projects and expenditure.

1. **General Eligibility Criteria**

|  |  |  |
| --- | --- | --- |
| **Project Outcomes:** | **Eligible project expenditure:** | **Project Examples (not an exhaustive list):** |
| **Productivity and Efficiency**  The project will enable your business to save significant time and resources in the future allowing more time to focus on economic and job growth. | • New and emerging ICT products / services  • Consultancy support to provide specialist advice that will focus the strategy of the business  • Kit or equipment that will directly improve performance or processes in the business | • Implementing new ICT products or services that improve business performance and efficiency  • Upgrading your IT and/or communications systems to enable your staff to work more flexibly and productively, and enabling you to offer enhanced customer services  • Investing in new software that improves your business processes, increasing operational efficiency and diversifying your product range  • Building a new website that provides advanced features and functionality enabling your business to improve access and become more competitive in the marketplace  • Utilise consultancy support to provide specialist advice that will focus the strategy of the business:   * Strategic business planning * Planning for Investment * Accessing new markets   • 3D printing equipment and printer/cutter machinery  • Machinery or engineering equipment to support diversification or new product development |
| **Job Creation**  The project will enable your business to diversify to support economic and job growth |
| **Competitiveness**  The project will enable your business to access new markets not currently accessible to you (take advantage of new commercial opportunities).  The project will enable your business to offer new products or services that add significant value to the current offering. |

Grants are available for revenue projects and the purchase of capital equipment where this meets the eligibility criteria. Capital funding relating to land acquisition; building acquisition; site investigation; site preparation; building and construction, the installation of permanent fixtures or electrical wiring are **not** eligible for funding.

Grants are not available for items or services which would be considered part of normal business operations e.g. ongoing maintenance or repair costs, new for old purchases, etc. (See also section 6.)

To be eligible to receive a grant your business **must**:

* Be located within, or locating to, the administrative area covered by Nottingham City Council
* Have been trading for at least 12 months at the time of application.
* Be registered at Companies House OR provide details of your Unique Tax Reference Number from HMRC if you are a sole trader or partnership.
* Fund and evidence 100% of the project cost upfront from your own resources, ultimately providing 50% of the project cost yourself.
* Not make any project purchases using Paypal, personal credit cards, cash or cheques as these are not an eligible payment method

1. **Procurement**

For purchases under £25,000, applicants need to provide **one written quote** as a minimum. However we do recommend you provide 2 quotes where possible, to demonstrate you have tested the market.

For purchases of £25,000 and over we expect applicants to have obtained three quotes based on a written specification that you have produced to define your minimum requirements for the item/service, and which has been sent to each supplier (evidence of this should be provided e.g. copies of emails)

All supplier quotes must clearly specify if VAT is applicable, and state price including and excluding VAT.

If your chosen supplier is not VAT registered, we will require an email verification from them to confirm this.

You will need to detail **all** proposed purchases in Section 4 of the application form. Examples of how to record these are set out in the table below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Total project cost** | | | | |
| **No** | **Item/services specification** | **Name of preferred supplier** | **Total cost (incl VAT)** | **Total cost (exc VAT)** |
| **1** | Windows 15” laptop, 5GB hard drive with 64GB RAM | PC World | £1,200.00 | £1,000.00 |
| **2** | Development of marketing plan and branding guidance | ABC Associates Ltd | £12,000.00 | £10,000.00 |
| **3** | Moulding manufacture machine, with 10KW generator and 2 workstations | XYZ Tool Manufacture Ltd | £2,400.00 | £2,000.00 |
|  | **TOTAL COST OF PROJECT** | | **£15,600.00** | **£13,000.00** |

You need to be able to explain how you will ensure value for money from your proposed purchases e.g. explain why you think your preferred supplier represents the best choice for price and quality. You should provide your answer in **Appendix A** of the Full Application Form for each item and attach any evidence you have if available.

You **must**:

* Provide up to date financial accounts, showing profit and loss, for the last three years where available.
* The applicant should have been trading for at least 12 months at the time of application.
* Your most recent management accounts for the period since your last full accounts ended, up to the date of your application.
* Justification of why your 12 month forecast figures in section 2 of the application form are realistic e.g. what assumptions have you made to estimate future turnover, profit, employment costs and number of employees.
* Describe the commercial viability of the project and how it will improve business performance and productivity
* Look to generate - where possible - new, sustainable jobs based Nottingham. As a guide, every £5,000 of grant funding should create at least one full time equivalent job within your business which is retained for at least 12 months. This will need to be evidenced by the provision of a copy of a wage slip or other salary payment evidence
* Jobs safeguarded will only be considered if new jobs are being created as part of the application
* Not have started the project for which grant funding is sought. Any purchases initiated prior to a grant award will not be eligible for funding
* Have a business bank account
* Have all the necessary permissions, licences and insurances to operate your business
* Satisfy that the proposals are viable, offer value for money, are realistic and deliverable

You **agree** to:

* Give consent to Nottingham City Council to involve your business in publicity for the grant scheme, e.g. press releases, case studies and photographs (subject to commercial sensitivity).
* Partake in periodically agreed monitoring after the final grant payment, which will help us to assess the success of the overall Business Investment Fund

1. **Ineligible Project Costs**

There is no definitive guidance on which costs are ineligible. However, the following cannot be supported by grants:

* Reimbursement of goods / services already purchased prior to the date of a grant offer letter
* Repayment of existing loans or debts
* Recurring revenue costs (including: salaries, pensions, stock, rent, utility charges, service charges subscriptions, insurance, tax, recruitment fees, website hosting etc.)
* Line rental and on-going maintenance costs associated with implementing a superfast broadband product
* Repairs and maintenance to existing ICT equipment
* Like-for-like replacement of existing items
* Mobile phones
* Accredited training or the development or implementation of accredited training materials
* Financial charges, such as bank charges and interest
* Enterprises in difficulty
* Enterprises subject to an outstanding order for the recovery of illegal State Aid
* Fines
* Activities that may bring Nottingham City Council into disrepute
* Costs associated with gaining statutory permissions or consents
* Delivery charges
* VAT

This list is not exhaustive and specific items can be checked for eligibility by your Advisor from the Nottingham City Business Growth Hub Team

1. **UK subsidy control regime**

This grant scheme will be administered under Minimal Financial Assistance rules. – you’re allowed up to £315,000 in Minimal Financial Assistance over any rolling period of 3 financial years. Information on the scheme can be found at Gov.UK Subsidy Control Website.

Any aid awarded to you under the Business Growth Grant will have to be declared if you apply, or have applied, for any other public funding. Therefore, if successful, the offer letter must be retained and shown to any other public body to which you apply for funding for the three years following the offer.

False declarations will lead to the recovery of the value of the assistance provided plus interest.

Note that where a business is part of a group, the £315,000 limit applies to the group as a whole for public sector support within the United Kingdom.

1. **Geographical Areas Covered**

Applications will **ONLY** be considered from businesses located within the City of Nottingham

1. **Ineligible businesses**

The following businesses are ineligible for grant support:

* Retail business who are pawn brokers/money shops
* adult/private shops
* betting shops
* vape shops
* general shops licensed to sell alcohol for consumption off the premises
* national chain stores

1. **Timeframe**

The Business Growth Grant will remain open to applications until all funding has been committed.

Projects awarded funding will be required to claim their grant award by the date or timeframe stated within the Grant Offer Letter and Grant/ Agreement.

However, all projects funded through the Scheme **must be** fully completed and all grant funding **claimed** by applicants by 31 March 2025.

1. **Application Process**

**Step 1 – Expression of Interest**

The first step is to submit an Expression of Interest Form. This can be downloaded from [www.nottinghamcity.gov.uk/ukspf](http://www.nottinghamcity.gov.uk/ukspf) or you can request a copy be emailing [ukspfgrants@nottinghamcity.gov.uk](mailto:ukspfgrants@nottinghamcity.gov.uk)

Once submitted a project and item eligibility check will be undertaken.

f your business or project is not eligible at this stage of the process you will be advised accordingly.

**Step 2 – Full Application**

If your project is eligible for support through the Business Growth Grant, you will be contacted by the Nottingham City Business Growth Hub Team and will be allocated a Business Advisor who will advise you on completing a Full Application.

Alongside the Application Form you must submit your supplier quotes, up to date financial accounts for the last three years and your most recent management accounts.

**Step 3 – Project Appraisal**

On receipt of the completed Full Application and supporting documentation, Nottingham City Council will conduct due diligence and compliance checks on the application.

Any issues or queries including requests for missing / additional information will be raised with you.

Applications passing the due diligence check will undergo a quality appraisal and will be assessed against the following:

* How the project will improve your productivity and efficiency
* How the project will enable your business to diversify to support economic and job growth
* How the project will enable your business to access new markets not currently accessible to you (take advantage of new commercial opportunities) and enable you to offer new products or services that add significant value to the current offering
* Value for money and whether there is investment in:
  + New products
  + Digital infrastructure
  + Digital skills
  + Mentoring/coaching
  + New markets / exporting
  + Innovation / new processes
  + Research and Development
* Deliverability in proposed timescales / milestones, including contingency arrangements and the capacity of the organisation to manage and monitor the work.

All grant applications will then be considered by a Grant Panel and the applicant informed of the outcome in writing. The decision of the Panel on all Full Applications for funding is final and there is no process of appeal.

**Step 4 - Grant Offer**

If the application is successful, you will be notified in writing in the form of a Grant Offer Letter and a Grant Agreement. Any award will be made based on the terms and conditions outlined within the Grant Offer Letter and Grant Agreement.

**NB You must not enter into any financial or contractual arrangement with any supplier prior to the project being approved, and not before the date that the Grant Agreement is signed by Nottingham City Council. To be clear, any expenditure prior to the date that the Grant Agreement is signed, dated and returned cannot be claimed.**

Nottingham City Council reserves the right to withhold, vary or reclaim funding if any information supplied through the application and approval process proves to be inaccurate, misleading or incomplete.

**Step 5 - Payment of Grant**

Applicants will submit their grant claim in accordance with the terms and conditions set out within the Grant Agreement and any subsequent approved changes.

Applicants must submit the claim for grant assistance retrospectively, by the date stated in the Grant Agreement, evidencing 100% of the costs incurred. The grant will only be paid once project expenditure has been defrayed and evidenced.

Payment of the grant will only be made when Nottingham City Council receives appropriate supporting evidence, which includes:

* A signed declaration requesting grant payment evidencing all costs incurred. You **are not** permitted to make any purchases using Paypal, personal credit cards, cash or cheque as these are not an eligible payment method. If a business credit card is used to make purchases, you must have defrayed the entire credit card balance prior to claim regardless of whether the amount is related to the Project or not.
* A certified copy of the original invoice(s) with a handwritten statement saying that the original is available on request, signed and dated, from the service provider(s) to the applicant for the full cost of the goods / services delivered.
* A certified copy (as above) of the applicant’s bank statement evidencing expenditure defrayal, identifying the payment(s) made by the applicant to the service provider(s). Note transaction reports will not be accepted;
* Job Output Form and supporting evidence that may be requested

If the actual costs are less than those outlined in the application and detailed in the Grant Agreement, the maximum amount of grant to be paid will not exceed the actual amount on the receipted invoice.

Final payments will be subject to the applicant having satisfactorily completed the project and complied with all terms and conditions of the Grant Agreement and there being no dispute between the applicant and its supplier(s).

1. **Project Variation Requests**

Once the grant agreement has been signed and your project approved, any subsequent alterations will be subject to a formal variation request. This variation request will be considered by Nottingham City Council and if appropriate the Grant Panel, before being approved.

Instances where a formal variation request may be required include:

* Variation to items, goods or services being purchased
* Changes to the supplier
* Increases or decreases in value
* Amendments to the project scope.

Please contact the Nottingham City Business Growth Hub Team in the event that you need to requests any project variations.

1. **Commercial Confidentiality**

It is generally presumed that the information provided at all stages of the process is commercially sensitive or confidential and will be treated as such. However, when signing the application, you agree to us sharing the details of your application with the Department for Levelling Up, Housing and Communities who are the grant scheme’s funder.

1. **Help and Support**

If you would like to discuss the general eligibility of your proposal, prior to submitting an Expression of Interest, please contact the Nottingham City Council UKSPF Team at ukspfgrants@nottinghamcity.gov.uk

Support to develop your proposal and to complete your application is available from the Nottingham City Business Growth Hub Team, if required.

However, please note, applications must be received from the applicant organisation directly and while help and support in completing your application is entirely acceptable, we would encourage you to write the full application in your own words and to have a full understanding of the application if any clarification is requested.