



**Funded by
UK Government**



**Nottingham
City Council**

Nottingham City Council UK Shared Prosperity Fund

Business Growth and Productivity Grant 2025-2026

Applicant Guidance Notes

1. Introduction

This guidance is intended to provide information to applicants to the Nottingham City Council Business Growth and Productivity Grant.

The aim of the grant is to support businesses in Nottingham to grow and improve their productivity, and to improve how they measure and report productivity gains through the provision of capital grants.

The project will provide up to 50% grant funding for investments. The maximum amount of UKSPF grant that can be awarded per business is £15,000. The balance of the investment must be provided by you, the applicant.

Priority will be given to those applicants that can best demonstrate how the investment will have a positive impact on business growth, productivity and the creation of new employment in Nottingham.

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.

2. Background

The Business Growth and Productivity 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 businesses to grow, improve competitiveness, productivity and their ability to take advantage of commercial opportunities.

3. Grant Amount and Match Funding

The minimum grant available is £2,000

The maximum grant available is £15,000.

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

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 £15,000. However, there is some flexibility to award a larger amount of grant (up to £20,000) if an applicant has a compelling business case that demonstrates significant impact on the business and the local economy.

All grants are made at the discretion of Nottingham City Council and are subject to availability.

4. How Will the Project Work?

A Business Advisor from the Nottingham City Growth Hub team will be available to work with you to review your business needs and support you in applying for the grant.

The grant project is competitive, inviting businesses to apply for grants of between £2,000 and £15,000 to support capital investment projects that will lead to clearly evidenced growth and productivity improvements.

Businesses must have been trading for more than 12 months to apply for the grant. Grants are available only towards capital investment such as machinery, equipment, technology and software. Revenue funding is not available through this grant

The grant will remain open until all of the funding has been allocated.

5. Eligible Projects

The Business Growth and Productivity Grant can support projects that deliver some, or all, of the following outcomes:

- Improved productivity and efficiency
- Jobs created or safeguarded and improved profitability
- Bringing new products or services to the market
- Adopting new technologies or processes in the business
- Engaging with new markets
- Increased competitiveness enabling businesses to take advantage of commercial opportunities.

6. Examples of Projects

Growth and Productivity projects will differ from sector to sector and business to business. Below are a number of examples of the types of projects that could be supported. If you are unsure if your project would be suitable for this grant, please contact the Project Manager at ukspfgrants@nottinghamcity.gov.uk who will be able to provide clarification.

- A manufacturing business that has undertaken a quality management programme to improve product quality, to meet new supply chain standards. The programme highlighted a need to invest in new production equipment to improve product quality and to reduce waste.
- A manufacturing business investing in a new digital printer to rapidly bar code all manufactured items, which will allow it to update its online inventory and improve efficiency in the production process.
- A business investing in new smart technology for its vehicles, which provides real time intelligence on the location of delivery vehicles for clients and more accurate information about delivery timescales
- A business Investing in new software that improves their business processes, increasing operational efficiency and diversifying their product range
- A service business upgrading IT and/or communications systems to enable staff to work more flexibly and productively, and enabling the business to offer enhanced customer services

- An architect practice wanting to invest in 3D printing equipment to produce physical models of their designs, facilitating communication with clients and streamlining the design process

7. Eligible Expenditure

Grants can be offered to help fund solutions for businesses that will provide significant business benefit and growth. This may include, but is not limited to:

- Client Relationship Management systems
- Cloud solutions
- New software development*
- Remote monitoring solutions
- Large data transfer solutions
- New laptops, desktops or tablet computers and other peripheral devices, e.g. printers
- E-commerce solutions*
- Manufacturing / production equipment and or tooling (machinery, sensors, robotics) including delivery and installation charges where applicable
- Moulds, final designs, testing for final products ahead of mass manufacturing

*Software development projects can only be supported where the applicant is able to capitalise the project, treating the costs of developing the software as an asset rather than a one-time expense. The costs of developing or acquiring software will need to be recorded as an asset on a company's balance sheet, instead of being immediately expensed. The Business Advisor assigned to an applicant or your accountant will be able to advise on this.

8. General Eligibility Criteria

Grants are available for capital 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.

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 have a 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 eligible payment methods
- Not have any outstanding arrears or debts with Nottingham City Council

9. Procurement

For purchases under £25,000 net, applicants need to provide one written quote.

For purchases of £25,000 net and over we require 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 the 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 question 4 of the full application form.

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.

10. Ineligible Project Costs

Below is a list of excluded costs. This isn't an exhaustive list and the UKSPF Project Team have the discretion to omit costs if they deem them ineligible and/or not within the scope of the project:

- Reimbursement of goods / services already purchased prior to the date of a grant agreement
- 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
- Updating/adding content to existing websites
- 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
- Purchase, building, and renovation of property for residential use (i.e. commercial property development activities)
- 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
- VAT
- Marketing costs

- Vehicles

This list is not exhaustive and specific items and project ideas can be checked for eligibility by emailing UKSPFgrants@nottinghamcity.gov.uk or by asking your Business Advisor from the Nottingham City Business Growth Hub Team.

11. Geographic Areas Covered

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

12. 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

13. UK subsidy control regime

This grant scheme will be administered under Minimal Financial Assistance rules. You are 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 the Gov.UK Subsidy Control Website.

Any aid awarded to you under the Business Growth and Productivity 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.

14. 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 6th March 2026

15. Application Process

The grant has a 2-stage application process

Stage 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 or you can request a copy by emailing ukspfgrants@nottinghamcity.gov.uk

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

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

Stage 2 – Full application

If your project is eligible for support through the Business Growth and Productivity Grant, you will be invited to submit a full application. You will; also be connected to a Business Advisor from the Nottingham City Business Growth Hub who will advise you on completing the full application.

Alongside the application form you must submit your supplier quote(s), up to date full financial accounts for the last three years and your most recent management accounts.

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 support business growth and improve your productivity and efficiency
- How the project will enable your business to access new markets and/or enable you to offer new products or services that add significant value to the current offering
- Value for money
- 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.

NB You must not enter into any financial or contractual arrangement with any supplier prior to a 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.

16. 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.

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.

Completing the Expression of Interest and Full Application Forms

Please use the information in this section to answer each question in the application forms as fully as possible.

Expression of Interest Form

Section 1 - Business Details

Please provide details of your business, including details of the primary contact for the project. This should be the person the project team will contact with any questions regarding the application.

All sections should be completed fully.

Section 2 – Your Project

Please provide brief details of the project that will be funded with the grant, the estimated costs of the project and the anticipated benefit/impact to your business. If the address where the project will be undertaken is different to your registered/trading address, please confirm the project location. This grant will only fund projects that are located in Nottingham.

Full Application Form

Section 1 - Business Details

Please provide the name, address and contact details of your business.

Section 2 – Financial information and forecast

Please provide the headline financial information for your business for the last and the current fiscal years, and forecasts for the next fiscal year with and without the support of the grant.

Section 3 – Project details

Please provide anticipated start and finish dates for the investment being supported by the grant. It would normally be expected that this would be less than three months from receipt of your Grant offer letter and that you will enter into a contract with your supplier within 2 months of receipt of the grant offer letter.

Please state the total project cost and the amount of funding being requested. Please provide a brief overview of your business and a brief project description (200 words max). This should include an explanation of the challenge your business is facing and provide an overview on what the grant will be funding.

Projects can only be capital. The grant investment must attempt to make clearly evidenced productivity improvements.

Section 4 - Application questions

Q1. About the project

In this section you need to:

- outline your business's growth/productivity challenges
- outline the need for the grant and how the investment is aligned to the companies overarching growth strategy and/or productivity plan
- explain what you will purchase with the grant and why grant funding is needed, with reference to the viability of the project with or without grant funding.
- Demonstrate the demand or market need for the proposed projects that will result in the development of a new product or service or expansion into new markets
- Demonstrate how the project delivers value for money to the business and to the UKSPF programme

Examples of the types of growth/productivity challenges you have may include:

- a requirement to introduce new products / processes / services to access new markets.
- a requirement to invest in new machinery to increase capacity and / or bring new capability.

Within the application you will need to explain why grant funding is needed, with reference to the viability of the project with or without grant funding. Grant support will only be provided to projects that demonstrate that:

- the project will not proceed without grant support; or,
- grant support will allow a project to proceed within a shortened timescale; or
- grant support will enable a project to proceed on a larger scale, at a higher level of quality and/or with greater impact.

Grant is only payable for costs incurred after the application is formally approved. Grant is only payable to the applicant business and upon production of evidence that costs have been incurred by the same business (not another business in a group structure for example). Grants will not be awarded to applicants who are linked enterprises of the supplier(s).

Any costs which have not been incurred by the applicant business will be ineligible.

Any expenditure which is deemed ineligible will not be paid and any offer of grant will be withdrawn.

Q2. Measuring productivity in the business

This section is about measuring productivity in your business. The main purpose of the project is to improve the productivity of your business therefore to be able to measure if the grant has helped contribute to productivity gains you first need to calculate a baseline. The information requested in the table should be available from your accounts but please contact your Growth Hub Business Advisor if you are unsure. This information will be requested again after completion of your project to see if the grant has made a positive impact on your business.

You will need to provide details of current approaches you take to measuring productivity in as simplistic a way as possible. The measurements must relate to the particular process(es) which are relevant to this application and the improvement your business is trying to create. If possible, please provide details of reporting frequency, methodology and rationale.

Q3. What are the main outputs and outcomes the project will achieve?

You will need detail the growth outputs/outcomes resulting from the proposed grant investment. The answer must clearly show how the activity will support growth and improve productivity of the business and how this will be measured.

Please summarise the outcomes in the tables.

Q4. Details of items to be purchased

Provide a summary of each item or service you wish to purchase in the table and complete Appendix A to provide further details about the supplier(s) you wish to use.

Q5. Supplier comparison for project purchases of £25,000 net and over.

Only to be completed for projects with proposed purchases of individual items costing £25,000 net and over

If any of the items you wish to purchase have a net cost of £25,000 or over, you are required to follow the Public Procurement Regulations in line with the threshold value of your total project cost.

You must provide details of any conflict of interest with the suppliers you have chosen.

You need to attach a copy of the quotation(s) from your preferred supplier(s) to the application form. The quotation must include both the content of the Project Description and the Total Project Cost.

Q6. Previous grants

Tell us about any previous Business Growth Grant you have received from Nottingham City Council and how your new project differs, particularly that the outputs and outcomes offered are not the same as those offered in the previous grant.

Section 5 Payment of grant

Please provide your bank details

Section 6 - Subsidy Allowance

If you have received a Subsidy or State Aid of more than £315,000 over the last 3 financial years please provide details

Section 7 – Declarations

Please sign and date the form

Timescales

If your application is successful you will receive a formal grant offer letter. This will inform you how to proceed and what documents you need to keep to claim the grant. It is estimated to take up to 10 days to process a grant offer letter after the panel decision. Once you have purchased the goods/services in line with your grant offer letter, you will submit a grant claim to evidence the purchase including an invoice and bank statements.

It can take up to 1 month to process your claim and pay the grant to you, and any missing information can delay the payment of grant.

You must not place an order with your chosen provider, commission or purchase any goods/services prior to receiving the offer letter, as grant payments cannot be made retrospectively against activity that has already occurred.

Projects approved in the financial year 2025/26 must complete February 2026 and claims submitted by March 6th 2026.