

# Oxfordshire Business Support (OBS) Start-Up and Growth Programme

## Elevate Grants Competition

### Guidance for applicants

#### 1. Introduction

Elevate grants are available to both start-up (less than 12 months old) and growth (over 12 months old) businesses. The grants are available to any pre-start, start-up or existing small to medium-sized enterprise (SME) located within the Oxfordshire or relocating to Oxfordshire, as long as the applicant fulfils the necessary criteria and conditions that appear later in this document. The aim of the fund is to provide a flexible capital and/or revenue grant designed to assist SMEs to implement business development, investment start-up and growth projects in order to create jobs and growth.

You will need to discuss your application with a member of the OBS team prior to receiving an application. The OBS team is on hand to provide support and guidance throughout the process on eligibility, procurement and any other issues, but will not be able to write your application for you. To receive an application please contact the OBS team on **01865 897182**.

***This grant is part funded through European Regional Development Fund and the last date that grants will be awarded is 28<sup>th</sup> December 2018.*** The grants will be allocated via a competitive grant competition at various dates across the length of the program, **unless** funding has been fully committed prior to that date.

**Please note that this is a competitive grant competition and that submitting an application does not guarantee grant funding.**

The dates of the next competition round are:

Round	Opening Date	Deadline for checking service	Closing Date	Decision Date
5	1 <sup>st</sup> August 2018	10 <sup>th</sup> September	17 <sup>th</sup> September 2018, 5pm	1 <sup>st</sup> October 2018

**Please contact the OBS team on 01865 897182 or speak to your local Network Navigator for more information.**

## 2. What's available

Revenue grants of at least £1,000 are available for SMEs.

Capital grants of at least £1,000 are available for SMEs.

Start-up SME applicants can receive up to a maximum of 50% of eligible expenditure. For example: in order for a start-up to receive a grant of £1,000 you would need to spend a total of £2,000 excluding VAT.

Growth SME applicants can receive up to a maximum of 33% of eligible expenditure. For example: in order for a growth SME to receive a grant of £1,000 you would need to spend a total of £3,000 excluding VAT.

You can apply for a blended funding revenue and capital grant. Each application will be assessed on its own merits and job creation would be as above.

All grant awards are subject to the *De Minimis* State Aid limit not being exceeded. If a company has already received €200,000 of State Aid within a three-year fiscal period it is ineligible to receive further financial support within that three-year period.

There is no upper limit for grants, however we consider it unlikely that any grants will exceed £25,000. In any case, the *De Minimis* State Aid thresholds described above must be complied with.

The OBS programme has targets for jobs created and it is expected that grants will lead directly or indirectly to job creation. You should explain how, how many and when you expect jobs to be created by your grant project. You should be realistic in your forecasts, but remember that one of the aims of the grants scheme is to help create jobs.

If you believe your project will cost more than £25,000 and will lead to a significant rise in jobs through the investment, then please contact the OBS team to discuss funding options on **01865 897182**.

### 3. Eligibility

#### Eligible projects

Examples of what the grant **can** support

#### Capital projects

Investment of £5,000 or more in technology or processes that facilitate growth and create jobs:

- Plant, equipment and machinery acquisition;
- Diversification of the output of an establishment into new additional products/services;
- A fundamental change to the overall production process of an existing establishment.

#### Revenue projects

Specialist consultancy, projects and/or support related to:

##### Increasing sales

- Consultancy/design of a new website;
- Website search engine optimisation;
- Business strategy to improve sales and commercial performance;
- Company branding, logo design and marketing collateral, including brochures, leaflets, etc.
- Market research and data management, including purchase of CRM database;
- Fit-out costs for vehicles and showrooms of less than £5,000 to increase sales potential and product range.

##### Improving productivity and profitability

- New software (or hardware under £5,000) to speed up productivity and performance, e.g. CRM systems and accounting packages;
- Purchase of equipment costing less than £5,000 aimed at improving productivity.

##### Improving business processes

- Software that will improve business processes, e.g. CRM systems, accounting packages, business planning packages and operational software specific to an industry.

##### Creating jobs

- Advertising for hard-to-fill posts;
- Costs associated with working with a specialist recruitment consultant;
- Psychometric profiling and recruitment software.

#### Ineligible projects

Examples of what the grant **cannot** support:

- VAT payments;
- Paying off debts or refinancing;
- Purchase of land or buildings or financial investments;

- Repairs to equipment or buildings;
- Preventative and remedial maintenance of assets or equipment;
- Training, including in the use of assets and equipment;
- Purchasing of vehicles
- The revenue grant cannot support the purchase of assets or equipment in excess of £4,999 which must instead be made as a capital grant application on the same form;
- Salaries, travel or subsistence;
- Any statutory or legislative obligations, duties or requirements;
- Hire purchases and/or asset finance arrangements;
- Routine expenditure relating to new employees (e.g. office furniture, ICT and training);
- “Like-for-like” replacement of obsolete equipment with little or no added value.

### Ineligible sectors

A number of sectors are ineligible for grant support under ERDF. These are:

- Fishery and aquaculture sectors
- Primary production, processing and marketing of agricultural products
- Coal, steel and shipbuilding sectors
- The synthetic fibres sector
- Generalised (school age) education
- Banking and insurance companies
- Retail businesses (ineligible for capital expenditure but eligible for revenue)
- Social Care Services & Social Welfare (hospitals, housing associations, sports facilities)
- Child-minding facilities

#### **4. Procurement**

**Please read this question carefully**

A condition of the European Regional Development Fund requires you to demonstrate you are procuring products or services in line with EU Procurement regulations as follows:

- For goods and services costing over to £25,000 (total value excluding VAT), you must undertake an open procurement exercise and provide evidence to demonstrate that you have done so. This would include a specification document, open advertisement of the opportunity (e.g. through Contracts Finder) and evidence of scoring and selection process. We would advise grant applicants to avoid goods and services costing £25,000 or more each, however if you want to include them and are in any doubt about how to meet these requirements, you should speak to the OBS team.
- For procurements up to £24,999 (total value excluding VAT), you must provide 3 written quotations per individual item to be purchased. You are not obliged to accept the lowest quotation received, but a written explanation of the rationale behind any such decision will be required which demonstrates the supplier's experience and/or value for money.
- For smaller or generic goods/services, it is acceptable to use print-outs from websites. Please complete the Planned Expenditure table in the application form with the details of quotations obtained.

The evidence that you need to provide for all procurement is:

- Copies of all quotations and screen shots or copies of the advertised opportunities taken from the portal(s) used, together with details of the assessment criteria used for each purchase and how you selected the winning bidder based on these criteria (e.g. scoresheet).

**If you cannot demonstrate that you have assessed the quotations or tenders received in accordance with EU Procurement regulations as outlined above, we will not be able to consider your grant application.**

**We STRONGLY advise you to speak with a member of the OBS team for help in completing this section.**

## 5. Decision-making process

The OBS team is able to offer a limited review for applications which are sent in well in advance of the deadline. The cut-off point for this service will vary from application phase to application phase depending on staff availability, so we recommend that you contact the OBS team to find out the cut-off date for the current phase if you want to make use of this service.

As soon as your application is received the OBS team will send an e-mail to confirm that the documentation has been received.

Please note the deadline for Round 5 is **5pm on 17<sup>th</sup> September 2018**. Completed application packs must be delivered to OxLEP (or handed to the on-site reception) prior to the deadline. Late applications will not be accepted.

There will be an initial triage on all applications to ascertain applications that fall into and out of scope as per our eligibility scope document. We will also check to see if all areas of the application have been correctly completed and signed where required. You will be notified within 14 days of receipt of your application if your application is eligible to progress or not.

Applications that are ineligible for the grant will be notified as to the reason why.

Applications that are eligible for the grant will be notified and your application will be submitted to the panel for assessment. All eligible applications will be assessed by Elevate grant review panel, which will assess your grant application against the grant criteria and the other applicants. The panel has the right to refuse grant assistance or decide on the percentage of grant awarded against eligible expenditure, and this decision is final.

Membership of the grant review panel is drawn from across the business support architecture of the OxLEP area. Membership is kept confidential to avoid the risk of applicants attempting to contact the members to influence their decision, either before or after a panel meeting. Any applicant found to have attempted to unduly influence a panel member by contacting them to discuss an application will be disqualified from the process. It is crucial to ensure that grants are given in a fair and transparent way and that no applicant has an advantage over any other.

You will receive written confirmation of the decision within two weeks of the assessment panel meeting, see the grant rounds table for final decision dates. **Any expenditure incurred before receipt of the formal offer letter is deemed to be ineligible expenditure for grant assistance.**

The Elevate grants are funded in partnership with the European Regional Development Fund (ERDF) and Oxfordshire Local Enterprise Partnership (OxLEP)

Elevate grants have limited availability and applications will be assessed on quality of application, viability, sustainability, jobs and growth.

The available funding and current levels of commitment (as at the end of June 2018) are as follows:

	Available budget	Funding committed
Start-ups	£ 50,000	£ 11,182.63
Growth	£150,000	£126,665.51

These figures assume all grants awarded complete and spend as contracted, any underspend will be added back into the budget for the next round.

## 6. Nature of grant offer

The grant cannot contribute to projects that are already underway. Any grant offer will be invalid if work commences prior to the date of OBS grant offer letter and retrospective grant applications are not permitted.

## 7. Making your grant claim

Any grant that is approved is only for the purpose stated in the grant offer letter.

**If the circumstances on which a grant application was based change, you must contact the OBS team to discuss before committing to making any payments.** This may include, but is not limited to, a change of expected completion date, change of supplier, change to the project value, expected project outcomes, or cancellation of the project. If you are in any doubt, please contact the OBS team to discuss.

Grants should be claimed within 12 weeks of receiving a grant offer for revenue projects and within 26 weeks of receiving a grant offer for capital or blended projects. If your project will take longer to complete, please indicate the date on which you expect to claim in Section B question B4 of the application form. Please contact the OBS team at the earliest opportunity if your project is delayed and you are unlikely to claim within the timescale of the grant offer. All extensions to grant claims will need to be agreed by the OBS team and it must not be assumed that funds will be available if the deadline is missed.

To claim the grant, you must provide OBS with a signed Claim Form (which we will provide with your grant offer letter), a copy of the supplier invoice(s) and proof of payment, namely a redacted business bank statement showing the relevant payment(s). If a credit card has been used, the minimum payment paid, must be **at least the value** of the item being claimed and we need to see evidence of this via bank statement etc. Payment of supplier invoices **cannot be** made by cash or contra arrangements. All bank statements, invoices and payment evidence will need to be signed, dated and labelled with the following statement:

**"I certify this is a true copy of the original document. Original available on request"**

**Signed**

**Date**

**Position in organisation**

**Name of organisation**

SMEs must retain a certified copy of the original invoice for the procured services and goods. Certification occurs when the SME stamp the invoice with the above statement and sign. This evidence will be required for future possible audit purpose.

**If you cannot provide this evidence, we will not be able to process your grant claim.**

Funding **cannot be** awarded as retrospective payment for goods or services procured **before** a formal offer of grant has been received and accepted.

All grant payments are based on the net cost of goods and services procured. If your business is not VAT registered, the full cost will be used to calculate the final grant payment.

You should submit your grant claim to the OBS team as soon as possible, however please note that payments will only be made on the 12<sup>th</sup> and 21<sup>st</sup> of each month.

## **8. Creating new jobs**

One of the aims of the Elevate grants is to support job creation as a result of the grant projects. Previous phases were based on £4,000 of grant funding for each new full time equivalent (FTE) job that were created, however this has led to inflation of the potential job creation aspect of grant applications.

Job creation remains an important component of the grants, however we are now looking for applicants to provide realistic assessments of the jobs they believe can be created as a result of their grants. Within the application you should explain when and how any jobs will be created.

In section C of the grant application form, you will need to provide details of any job(s) to be created. Once you have claimed your grant, OBS will provide you with an 'Oxfordshire Business Support Start-Up & Growth Impacts Form' which you must use to confirm the details of the job(s) as you create them. A member of the OBS team will follow up with you if you have indicated that you will be able to create a job from the support of the grant.

The job(s):

- Must have been created as a result of the activity supported by the grant
- Cannot have been in place before the grant was awarded
- Should have an intended life expectancy of at least 12 months and be for at least 36 hours per week

Please note that you will be asked to provide a copy of the contract of employment demonstrating these criteria for audit purposes. If you are starting a new business the creation of a job including your own can be counted as a new job. If you have not issued a contract of employment to yourself then evidence will need to be supplied to OBS to satisfy us that you have started the business and are trading, these might include;

- VAT registration details / number
- Companies House registration details / number
- Business Bank Account
- Invoices
- Proof of registration with Inland Revenue

You will also need to provide basic information about the gender, age, disability and ethnicity of the job holder on the 'Oxfordshire Business Support Start-Up & Growth Impacts Form'. This information will be treated in strict confidence and used for monitoring and reporting purposes for the funder only in accordance with the General Data Protection Regulation.

If you experience difficulties in creating the job(s) as outlined in the grant offer letter, please contact us at your earliest convenience so that we can understand and discuss the options in relation to the grant payment. Please note that we reserve the right to claim the grant funding back from you if you do not create the job(s).



## **9. Capital Grant Asset Register**

If you receive a capital grant, your purchase(s) will be entered onto a Project Asset Register that is held by OBS. We may visit your premises to verify the purchase(s) and record identification details.

Please be aware that if you dispose of the item(s) within 3 years of purchase, OBS reserves the right to reclaim a proportion of the grant.

The detailed information that will be recorded on the Project Asset Register is:

- Asset name and description;
- Serial or identification number;
- Location of the asset (including grid reference);
- Purchase price (£) (net recoverable VAT);
- Date of acquisition;
- Approved Use of Asset;
- Legal Registered Owner of Asset;
- Location of the ownership record(s);
- Method of Depreciation;
- Date of Depreciation.

## **10. Further Information**

Applications must be made on the official OBS grant application form.

In line with EU State Aid regulations, you must sign a State Aid Declaration (included within the application form) covering the last 3 years. This will require you to declare all previous aid received from all sources.

In addition you must inform us if you receive other public funding towards this project as this will have an impact of the level of grant funding that we can offer.

OBS reserves the right to visit you to ensure the grant has been used for the purpose it was intended as stated in the application form and to inspect records to show costs have been incurred by you.

## 11. Notes to assist with completing the Grant Application Form

**All applications must be completed electronically and then printed, signed and posted to the OBS team at: Oxfordshire Business Support, OxLEP Ltd, First Floor, Jericho Building, Activate Learning, Oxpens Road, Oxford, OX1 1SA**

**Section A:** This section captures data about you as the applicant that we need to demonstrate your eligibility to receive a grant under the OBS programme and to report back to our Managing Authority (the Ministry for Housing, Communities and Local Government). It will be treated in line with the requirements of the General Data Protection Regulation.

**Section B:** This section is where you can describe your grant project. There are specific questions to answer:

- a) an explanation of your business or business idea
- b) a brief history of your business or business idea to date (explaining whether you are a new or existing enterprise? (\*New defines as registered with Companies House less than 12 months or branches locating to England for the first time)
- c) a description of your proposed grant project
- d) how you intend to use the grant money
- e) how it will help your business grow
- f) how any jobs will be created because of the grant
- g) whether the project will result in you introducing products or services that are either new to the market or new to the business itself (must involve product development)

Tell us about your business idea, the history and your aims and aspirations for the future. Include any key challenges that you have /need and any market research you have conducted. Provide us with an overview of the project that you are planning and how the grant would help your business to grow. This might include viability, sustainability, future growth, increased skills or labour force, new areas of investment or research activity.

Please quantify the results wherever possible, for example, an estimated % increase in sales, if you are introducing new products, will hire staff, improvements in profitability or productivity or anticipated annual cost savings. Also, list any other benefits and if you wish to receive further support through the programme.

Be concise but clear as there is a 1500 word limit. Communicate what you intend to use the grant funding for i.e. "to purchase marketing consultancy" would be deemed insufficient detail for the grant panel to seriously consider. A much better response would be to include details of how the consultancy will contribute to business growth, why you need it, how it will be used in the business and how it may complement other activities that you are already conducting. Please refer to the sample application form for reference.

**Q B1** Please provide the total estimated cost of the project to which the grant will contribute (excluding VAT). If your project is a mixture of capital and revenue expenditure, please split these out accordingly. Please ensure that you follow the European Union procurement requirements set out in Section 4 of the above Guidance Notes.

**Q B2** Please state the value of the grant you are applying for, which can be split across revenue and capital expenditure. If your project is both revenue and capital, please split out the grant values.

**Q B3** Please state the percentage of the total project costs that the grant you are requesting represents. You can calculate this by dividing the grant amount by the total costs and

then multiplying by 100. N.B. The maximum grant rate for a start-up applicant (business less than 12 months old) is 50% and for a growth applicant 33%.

**Q B4** Please supply the date on which the project is due for completion.

**Q B5a & b** Please confirm whether you have checked/researched any other sources of funding to support your proposed activities and provide details.

**Section C:** Tell us about any job/s that you intend to create or new products and services that you expect will be developed because of this project/ investment. The number of jobs that you intend to create will be a factor in the size of any grant that you may be awarded so if you are awarded a grant, we will ask you to provide confirmation that these jobs are created. Job creation would also include you, as the new Director or owner of the new business.

We will also ask you to provide some basic equality and diversity data about the post holders once the jobs have been created. This data will be treated as strictly confidential and submitted anonymously to funders of the project for monitoring purposes.

The definition of a job is a role that is at least 36 hours per week for a minimum of 12 months. FTE jobs can be accepted (i.e. part-time jobs that add up to at least 36 hours per week can be counted). Jobs are employed roles only and do not include freelancers or subcontractors.

**In appendices** please provide a copy of your business plan and financial forecasts to support your business idea/creation. You will also need to provide a copy of your most recent full-year profit and loss accounts or similar financial information if you are self-employed.

**Section D:** A condition of the European Regional Development Fund (ERDF) grant is that you are required to demonstrate that you have procured the product or service for which the grant is being sought in line with EU Procurement regulations, as follows:

- For goods and services costing over £25,000 (total value excluding VAT), you must undertake an open procurement exercise and provide evidence to demonstrate that you have done so. This would include a specification document, open advertisement of the opportunity (e.g. through Contracts Finder) and evidence of scoring and selection process. We would advise grant applicants to avoid goods and services costing £25,000 or more each, however if you want to include them and are in any doubt about how to meet these requirements, you should speak to the OBS team.
- For projects up to £24,999 (total value excluding VAT), you must provide 3 written quotations per individual item to be purchased. You are not obliged to accept the lowest quotation received, but a written explanation of the rationale behind any such decision will be required which demonstrates the supplier's experience and/or value for money. For smaller or generic goods/services, it is acceptable to use print-outs from websites. Please complete the Planned Expenditure table in the application form with the details of quotations obtained.

The evidence that you need to provide for all procurement is:

- Copies of all of the quotations and screen shots or copies of the advertised opportunities taken from the portal(s) used, together with details of the assessment criteria used for each purchase and how you selected the winning bidder based on these criteria (e.g. scoresheet).

If you cannot demonstrate that you have procured the product or service for which the grant is being sought in line with EU Procurement regulations as outlined above, we will not be able to consider your grant application.

We STRONGLY advise you to speak with a member of the OBS team for help in completing this section.

**Section E:** Please complete all sections of the *De Minimis* declaration, initialling where necessary and, if you have not received any other *de minimis* aid to declare, putting a zero or nil into the aid table.

**Section F:** Declaration, see the next section.

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## **12. Declaration**

Please sign and return the application form to the OBS together with your **business plan, cash flow forecast, last full-year profit and loss accounts and supplier quotations/evidence of tendering.**

Please note: we need a hard copy of the form with an original “**wet ink**” signature. **We are unable to accept electronic forms or forms with scanned or electronic signatures.**

**You will be expected to:**

- Provide all evidence required to process and verify the grant application;
- Provide all evidence as set out on the Oxfordshire Business Support Start-Up & Growth Impacts Form, which will ask details of jobs created and outcomes as a result of the funding;
- Co-operate, if requested, with OBS to promote and publicise success stories in the form of press releases, case studies, Freedom of Information Act requests or other communications unless there are clear reasons not to (for example, confidentiality around commercial issues, intellectual property or patents etc.);
- Participate in any evaluation activities by OBS, the funding body and the external evaluator.

## **13. Contact Us**

Please send any supporting documentation, such as copies of quotations, your accounts or current business plan and procurement evidence, to the address below. If you have any queries, please contact the OBS team on 01865 897182 or email [enquiries@Oxfordshirebusinesssupport.co.uk](mailto:enquiries@Oxfordshirebusinesssupport.co.uk).

Our postal address is:

**Oxfordshire Business Support, OxLEP Ltd, First Floor, Jericho Building, Activate Learning - Oxford, Oxpens Road, Oxford, OX1 1SA**