



LOCAL GROWTH FUND TOURISM BUSINESS CAPITAL GRANT GUIDANCE NOTES FOR APPLICANTS

The Tourism Business Capital grant is a scheme under the Local Growth Fund which is funded by UK Government, through Welsh Government, and will support tourism and hospitality businesses in Bridgend County Borough to increase capital investment to support productivity, growth and job creation.

WHAT BUSINESS SECTORS ARE ELIGIBLE

The Tourism Business Capital Grant can support businesses in the following sectors:

- **Human Foundation Economy** (Hospitality, Retail and Tourism)
- **Creative**

WHO CAN APPLY

- Sole traders, Partnerships, Limited Companies, Co-operatives and Limited Liability Partnerships, Registered Social Enterprise or Charity are eligible to apply.
- An established business that has been trading more than 3 years
- Bridgend County Borough business address
- An SME (less than 250 employees and an annual turnover under €50 million)
- The application must include job creation which is expected to exist for at least 12 months as a consequence of support.

If you are unsure of your eligibility, please contact tourism@bridgend.gov.uk who will be able to advise.

The Tourism Business Capital Grant is awarded under UK Subsidy Rules. All bids must also consider how they will deliver in line with subsidy control as per UK Government guidance. <https://www.gov.uk/government/collections/subsidy-control-regime>

Where applicants do not adequately demonstrate that the proposed project is compliant under the UK Subsidy Control Regime it may be considered ineligible, and your application could be rejected.

HOW MUCH CAN YOU APPLY FOR

The Tourism Business Capital Grant provides **50%** of eligible projects costs. The minimum grant is **£2,500** and the maximum grant available is **£10,000** (excluding VAT).

The grants will be awarded on a first come first served basis and all forms must be completed and contain the relevant information.

Projects must create direct employment.

WHAT CAN BE FUNDED

Examples of eligible capital spend could include:

- Business related capital equipment including fire safety
- Computer equipment
- Development of websites

- Small building works / improvements to business premises including modest DDA (Disability Discrimination Act) improvements

Please note this list is not exhaustive and applications are appraised on a case-by-case basis. A maximum of 5 items will be considered per application.

WHAT WE CANNOT FUND

- Any costs incurred prior to formal approval
- Any revenue costs
- VAT or any other taxes
- Bank / finance charges & loan repayments
- Legal costs being carried out as a statutory requirement
- Routine or ongoing running / revenue costs (including rents, rates, insurances, salaries, ongoing rentals).
- Fundraiser's fee
- Vehicles
- Training costs
- Marketing material and advertising costs
- Membership of Professional Bodies, licence fees and subscriptions
- Refinancing of bad debts of any kind, or company liabilities not associated with the project
- Planning application costs
- Insurance
- Preparation of plans and studies, e.g. Business Plans/Feasibility Studies
- Stock or non-reusable items
- Grant support to third parties
- Works carried out on a domestic property, either new build or refurbishment or extensions/garden rooms/log cabins

Please note, where the total project cost is significantly higher than the maximum grant amount available, it is unlikely to be approved.

HOW TO APPLY

- Completed and signed application form
- Two comparable quotes relating to each element of eligible spend. The cheapest quote provided to determine the grant amount
- Business Plan
- 12-month cash flow forecasts and two years accounts
- If planning permission or change of use relating to a commercial premises / building is required for the project then approval evidence is to be provided before grant approval can be made
- Proof of funds available whether in business account or loan to enable 100% purchase prior to grant claim
- Projects must be delivered by March 2027 and all evidence including defrayment must be provided within this timeframe

Once eligible applications are submitted in full along with supporting evidence the following will be undertaken.

- Officers will assess the application along with due diligence and subsidy control checks.
- A summary report will be prepared for Eligible Projects for the Grants Panel.
- The Grants Panel reviews recommendations and makes approvals.
- Successful applicants receive a formal Grant Offer Letter.

No expenditure should be incurred before grant approval, as the grants cannot be awarded retrospectively. Under normal circumstance we will only support one application for funding under the Local Growth Fund.

The business/director(s) of the business must **NOT** have an interest/shareholding in any of the companies supplying quotes/estimates for the grant application. The Applicant must accept the terms and conditions of the grant by completing and returning the Certificate of Acceptance which we will issue if your grant application is successful. Do not proceed with your project until you have returned the Certificate of Acceptance. Should the project not proceed within the period stipulated in the offer letter the grant would automatically lapse.

Items purchased through credit card/hire purchase/extended credit agreements/finance leases and cash purchases will **NOT** be considered for grant funding. All purchases need to be undertaken from the **BANK ACCOUNT listed on the application form which must be in the name of the Business or the Applicant.**

Should the application be successful, the grant money is paid direct into the **BANK ACCOUNT** of the Applicant or Business after receipt of invoices and sight of bank statements to confirm payment and satisfactory monitoring.

Grant will not be offered or paid if the Business or the Applicant is in arrears with any payment to Bridgend County Borough Council. Checks will be made as required, to be determined by your Project Officer.

SUBSIDY CONTROL

Under the Subsidy Control Act 2022, a subsidy is where a public authority provides support to a business that gives them an economic advantage, meaning equivalent support could not have been obtained on commercial terms.

Grant support provided by the Local Growth Fund is offered under Minimal Financial Assistance (MFA). MFA has a financial threshold which means that no recipient can receive more than £315,000 over the applicable period under section 36(1) of the Subsidy Control Act 2022.

The following should all be taken into account when calculating the amount of MFA your business has received during the current and previous two financial years:

- Other MFA
- Services of Public Economic Interest (SPEI)
- Aid given under the EU State aid de minimis regulations before the end of the implementation period of 31 December 2020 and
- Subsidies given as small amounts of financial assistance (SAFA) under the UK-EU Trade and Cooperation Agreement prior to this section of the Act coming into effect.

Please confirm in writing on the application form that the amount applied for will not exceed your organisations MFA threshold of £315,000.

For further information please email:- tourism@bridgend.gov.uk

Bridgend Council has absolute discretion over the terms, eligibility and decision making of the Tourism Business Capital Grant awards and retains the ability to amend criteria at any time.

We welcome correspondence in Welsh. Please let us know if Welsh is your preferred language.



UK Government Wales
Llywodraeth y DU Cymru



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