



LOCAL GROWTH FUND BUSINESS DEVELOPMENT GRANT GUIDANCE NOTES FOR APPLICANTS

The Business Development Grant is funded by UK Government, through Welsh Government, and will support businesses in Bridgend County Borough to diversify, decarbonise and grow, resulting in **job creation**.

Grants are aimed at supporting projects and investments that contribute to the Council's priorities for economic growth:

- Supporting business growth
- Capacity building across Bridgend County-based businesses and the wider labour force
- Addressing skills shortages
- Stimulating high-skilled jobs in the future economy and boosting regional integration
- Shifting to a low-carbon economy
- Preserving and enhancing ecological/natural capital
- Future-proofing education
- Improving physical and digital connectivity
- Strengthening the role for the public service and the foundational economy
- Supporting local supply chains.

Before requesting an application form, please ensure that your project can deliver against the required outputs and outcomes of the Fund and can complete within a 4-month period from the date of receiving the grant offer letter.

WHAT BUSINESS SECTORS ARE ELIGIBLE

The Business Development Grant can support businesses in the following sectors:

- **Advanced Materials and Manufacturing**
- **Compound Semiconductors**
- **Construction and Built Environment**
- **Creative**
- **Fintech**
- **Human Foundation Economy** (Education, Health, Social Care, Childcare and Emergency Services, Hospitality, Retail and Tourism)

WHO CAN APPLY

- Sole traders, Partnerships, Limited Companies, Co-operatives and Limited Liability Partnerships, Registered Social Enterprise or Charity are eligible to apply.
- Has an operating turnover in last 3 years above the current VAT threshold (£90,000)
- 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)

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

The Business Development 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 Business Development Grant provides **50%** of eligible projects costs. The minimum grant is **£5,000** and the maximum grant available is **£25,000** (excluding VAT).

Applications must result in the following:-

Grants of £5,000 - £14,999 must result in a minimum of 1 job created.

Grants of £15,000 - £25,000 must result in a minimum of 2 jobs created.

The grants will be awarded following a scoring exercise, and all forms must be completed and contain the relevant information.

WHAT CAN BE FUNDED

Examples of eligible capital spend could include but not exclusive:

- Manufacturing Machinery
- 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

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
- **Projects MUST result in job creation**

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

- Officers will complete a scoring exercise 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 Business Development Grant.

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 Business Development Grant 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: - businessfunds@bridgend.gov.uk

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

*Rydym yn croesawu gohebiaeth yn Gymraeg. Rhowch wybod i ni os mai Cymraeg yw eich dewis iaith.
We welcome correspondence in Welsh. Please let us know if your language choice is Welsh.*



UK Government Wales
Llywodraeth y DU Cymru



Llywodraeth Cymru
Welsh Government