



SOLENT
LOCAL
ENTERPRISE
PARTNERSHIP

Bridging the Gap

Armed Forces Fund

Beginner's Guide

October 2015





WHAT IS THE BRIDGING THE GAP ARMED FORCES FUND...?

Bridging the Gap (BTG) Armed Forces is a competitive £250,000 ring-fenced fund managed by the Solent Local Enterprise Partnership (LEP) and promoted in partnership with X-Forces. X-Forces is a social enterprise dedicated to supporting enterprise and new business in the Armed Forces community.

BTG Armed Forces seeks to support the Solent economy and Armed Forces community by:

- providing grants to small and medium sized businesses (SMEs) established by the Armed Forces community with potential for economic growth, leveraging in private sector investment and creating or protecting jobs.
- providing grants to members of the Armed Forces community who are looking to start up their own business.

In October 2015, the Solent LEP and X-Forces launched both the fund and the partnership between the two organisations. The partnership and fund builds on the strength of the LEP's well-established BTG programme, and X-Forces expertise in delivering support, workshops, events, and access to seed capital for Service leavers, veterans, spouses, families, reservists and cadets who are pursuing enterprise.

To date, BTG as a whole has allocated over £3 million in support to businesses which is projected to deliver 688 jobs and generate £7.7 million in private investment.

Since the very first round in 2012, the fund has supported at least 36 brand new start-up SMEs with an investment of over £1 million.

The remaining funding has gone to established SMEs who are either aiming to grow their business, or protect jobs which are under threat. This equals around £2 million of grant aid to at least 57 SMEs.

Previous rounds of the fund have all been oversubscribed, with demand for funding exceeding the total of grants available. Solent LEP will be looking to support the strongest bids which return best value for money and generate sustainable growth. We will announce which bidders have been successful throughout the year on our website and in feature articles in the local papers The News and the Daily Echo.

This is a Fund for SMEs or individuals that require **capital investment** to either grow or start up their business, or protect jobs which are under threat.

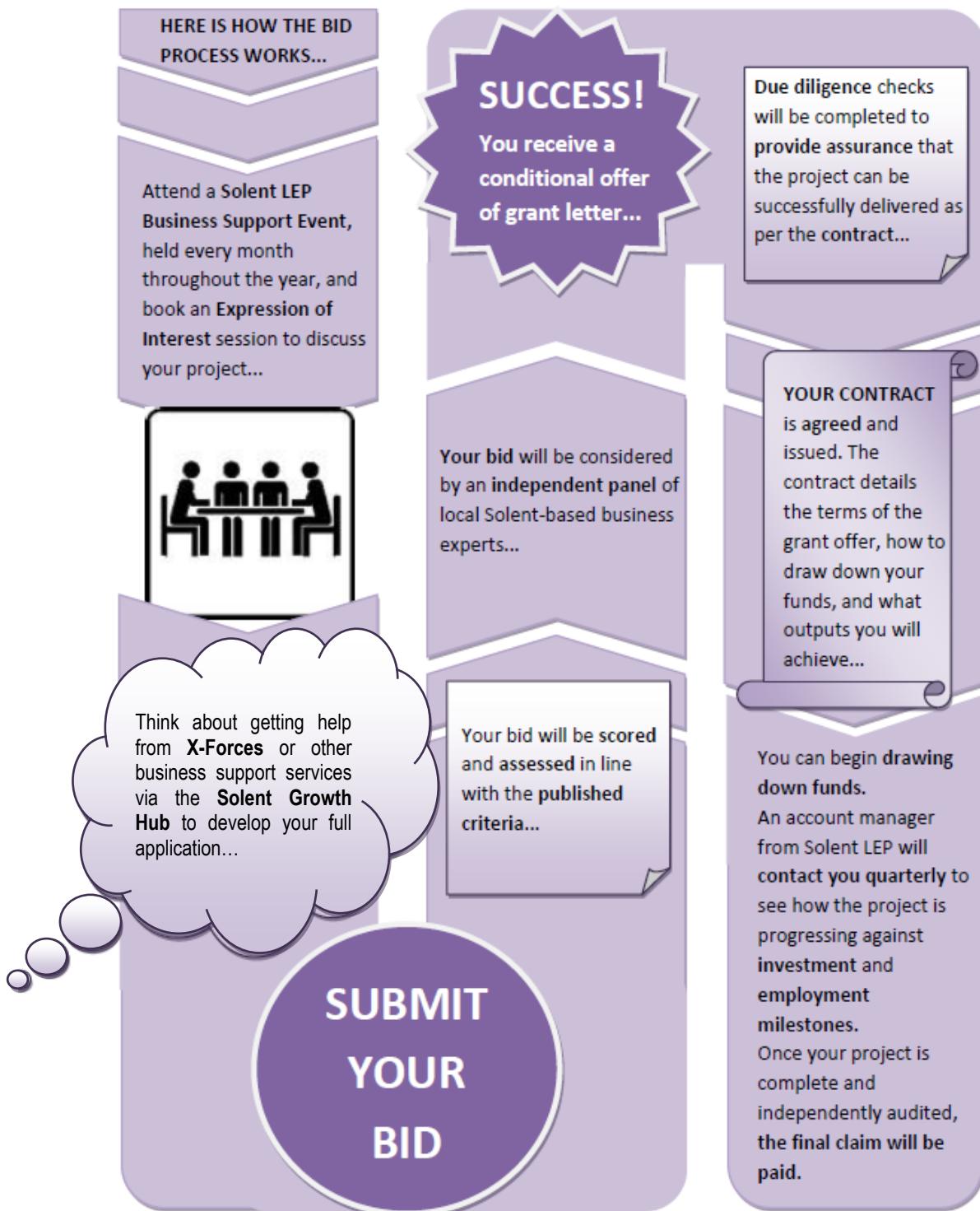
Grants will have to be claimed by September 2016, and jobs created by September 2017.

Read on to find out more...

THE SUCCESSFUL BID JOURNEY

A BTG Armed Forces grant could help you start-up your business or unlock new growth opportunities. If your project needs an injection of between £5,000 to £75,000 in

order to proceed, has the rest of its funding in place and will lead to sustainable jobs being created or safeguarded, then the **Bridging the Gap Armed Forces Fund** could be the answer.



WHAT ARE THE KEY ELIGIBILITY CRITERIA...?

To be eligible, applications must meet the following criteria:

- Applicants to the fund must be members of the Armed Forces community. For clarity this includes service leavers, veterans, spouses, families, reservists and cadets (over 18).
- The bid must be for between £5,000 and £75,000 of BTG support.
- The bid needs to demonstrate it will create new, or protect existing, jobs.
- The bid must raise private investment, whether through the company's own resources, investors or borrowing.
- For established SMEs, the fund can provide up to 20% of your total project costs, up to a maximum grant of £75,000. This means that the bid must lever in **at least** £4 of private investment for every £1 of BTG support. Successful bids tend to exceed this.
- For start-ups, the fund can provide up to 40% of your total project costs, up to a maximum grant of £75,000. This means that the bid must lever in **at least** £1.50 of private investment for every £1 of BTG support. Successful bids tend to exceed this.
- Bids must come from a wholly private organisation such as a limited company.
- Bids from third sector organisations, charities and community interest companies are eligible for consideration.
- Bids must not involve the delivery of a public sector project or service.

WHAT KIND OF ACTIVITY CAN A BTG ARMED FORCES GRANT SUPPORT...?

BTG support is not restricted to any particular sector or type of activity.

It should, however, be noted that BTG Armed Forces funding can only be used to support **capital expenditure** items.

BTG Armed Forces funding cannot be used for a business' existing working capital costs. For clarity this includes items such as salaries, rent, rates, utilities, stock and raw materials.

BTG Armed Forces funding must comply with state aid rules. The funding is offered under the "de minimis" aid heading, which permits a maximum of €200,000 of grant aid to a single recipient over a three year period.

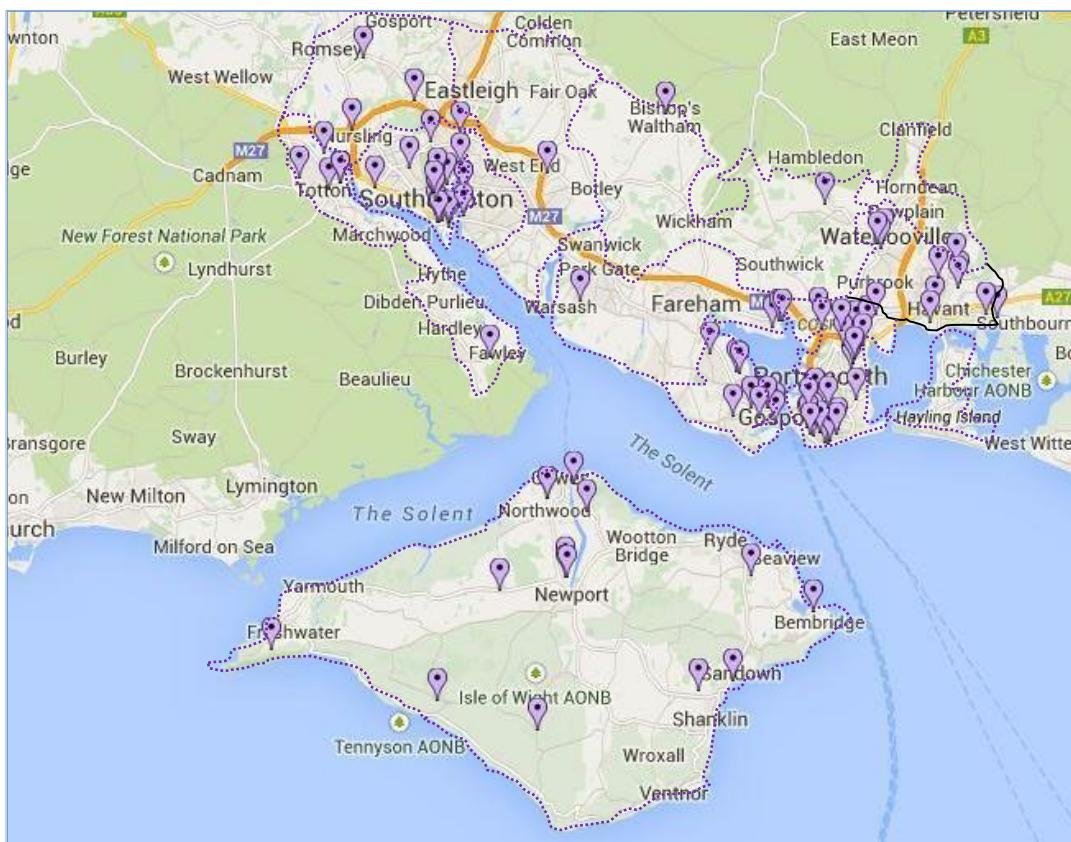
For more information, please see the more detailed Solent LEP document entitled "Bridging the Gap – Armed Forces Fund – Technical Guidance for Applicants".

WHAT NEXT?

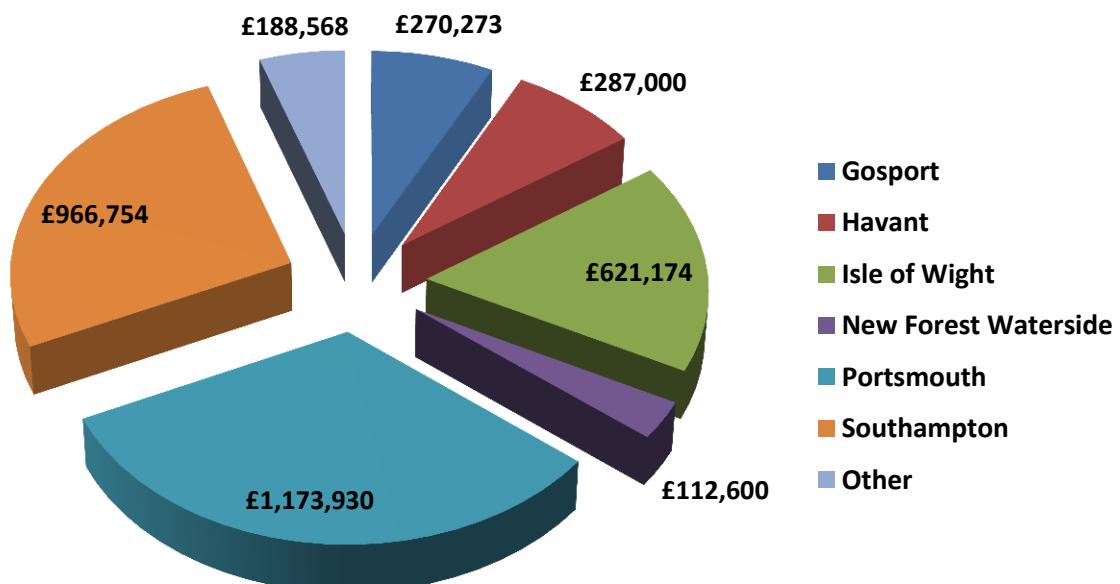
We recommend potential bidders attend one of our Business Support Events running across the Solent area every month. You will learn more about the LEP, what funding is available and how to access it. Members of the LEP funding team will be on hand to help answer your questions. In addition, a range of business support partners (Solent Growth Hub, UKTI, MAS, Chambers of Commerce, Business Growth Service...) who can signpost you to other services will also be present.

You will be able to sign up for our one-to-one Expression of Interest (EoI) sessions. We strongly recommend these to potential applicants, particularly those bidding for the first time. To find out more about these events and register for them, please email events@solentlep.org.uk.

BRIDGING THE GAP INVESTMENT MAP



BRIDGING THE GAP - TOTAL INVESTMENT BY GEOGRAPHY



FUNDING CASE STUDY

SC Vital Fitness

Portsmouth – September 2012

SC Vital Fitness is a functional rehabilitation/training facility and gymnasium located in Farlington, Portsmouth, that is open for use by competitive athletes and the general public. The unit creates a personalised environment for men and women to pursue their functional rehabilitation and fitness goals and is the only facility within the Portsmouth area that has fully accredited coaches (UKSCA).

The company applied for £30,000 of BTG funding to support the start-up of the new business through the purchase of key equipment required.

Sean Cole, Owner and Head Coach at SC Vital Fitness, said:

"I feel as a start-up business that I would never have been able to develop as fast as I have without the input of the Solent LEP, not just in the financial sense; it was also great for the advice and mentoring side prior to opening the business"





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