



# **SOLENT GROWTH FUND:**

## **SMALL BUSINESS PROGRAMME**

### **Technical Guidance**

August 2018



# Funding Summary

The Solent Growth Fund, supported by the European Regional Development Fund (ERDF), is a competitive funding programme tailored to support the Solent SME base to grow quickly through delivering new processes / products / services, and / or developing new markets. In addition, the Fund is also available to support businesses experiencing challenging trading conditions. The Fund forms part of the Solent Local Enterprise Partnership's (LEP's) approach to providing the resources and economic environment which make it easier for businesses and individuals to be productive.

A total amount of £1.8m funding is available up to March 2019 to support new and existing businesses to deliver new processes / products / services, develop new markets, or directly create and / or safeguard jobs in the Solent. Businesses from one of the target sectors this guidance identifies must be able to demonstrate that they will grow quickly through delivery of new processes / products / services, and / or developing new markets, or diversify products and / or markets in response to challenging trading conditions.

Grants of between £10,000 and £75,000 are being made available at intervention rates ranging from:

- Up to 20% for established businesses seeking to grow quickly;
- Up to 40% for start-up businesses with high-growth potential; and
- Up to 40% for businesses experiencing challenging trading conditions.

This Technical Guidance document is intended to provide detailed guidance for applicants, and will be used as the basis for assessment of any application, and it is therefore important that this guidance is read in advance of completing and submitting an application.

For larger businesses and businesses seeking funding in excess of £75,000 please contact the Solent Growth Hub at [info@solentgrowthhub.co.uk](mailto:info@solentgrowthhub.co.uk).



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# 1 Small Business Programme

The Solent LEP is offering business support grants to both established SMEs and start-up companies to expand their businesses through delivery of new processes / products / services, and / or developing or diversifying new markets. In addition, and in recognition of the challenging economic landscape, the LEP is also offering grants to support businesses that are experiencing challenging trading conditions, as defined in section 1.2.6 of this guidance.

This £1.8 million Fund is a capital and revenue programme, supported by the European Regional Development Fund (ERDF). Funding contributions of between £10,000 and £75,000 to total project costs is available up to March 2019, are being made available on the following basis:

- Up to 20% funding for established businesses seeking to grow their business quickly (high-growth) through new processes / products / services, and / or developing new markets;
- Up to 40% funding for start-up businesses that can demonstrate credible high growth potential; or
- Up to 40% funding for businesses experiencing challenging trading conditions.

In addition to the eligibility criteria set out in section 2, projects will need to evidence the following:

| Intervention Threshold  | Essential  | At least one of  |
|---|--|--|
| Established businesses seeking up to 20% funding contribution to the costs of their project will need to demonstrate... | <ul style="list-style-type: none"> <li>• The project is in one of the eligible sectors (see section 2.7)</li> <li>• High Growth Potential (see section 1.2.1)</li> <li>• Direct creation or safeguarding of Private Sector Jobs (section 1.2.7)</li> </ul> | <ul style="list-style-type: none"> <li>• Improving Business Productivity (see section 1.2.2)</li> <li>• Developing new products (see section 1.2.3)</li> <li>• Developing new markets (see section 1.2.4)</li> </ul> |
| Start-up businesses seeking up to 40% funding contribution to the costs of their project will need to demonstrate...    | <ul style="list-style-type: none"> <li>• The project is in one of the eligible sectors (see section 2.7)</li> <li>• High Growth Potential (section 1.2.1)</li> <li>• Direct creation of Private Sector Jobs (section 1.2.7)</li> </ul>                     | <ul style="list-style-type: none"> <li>• Improving Business Productivity (see section 1.2.2)</li> <li>• Developing new products (see section 1.2.3)</li> <li>• Developing new markets (see section 1.2.4)</li> </ul> |

| Intervention Threshold   | Essential   | At least one of  |
|--|---|--|
| Established businesses or start-up businesses seeking up to 40% funding contribution to the costs of their project as a result of challenging trading conditions will need to demonstrate... | <ul style="list-style-type: none"> <li>• The project is in one of the eligible sectors (see section 2.7)</li> <li>• Challenging trading conditions (see section 1.2.6)</li> <li>• Direct creation or safeguarding of Private Sector Jobs (see section 1.2.7)</li> </ul> | <ul style="list-style-type: none"> <li>• Improving Business Productivity (see section 1.2.2)</li> <li>• Developing new products (see section 1.2.3)</li> <li>• Developing new markets (see section 1.2.4)</li> </ul> |

## 1.1 Grant Funding

Funding may be sought in the form of revenue and/or capital grants (minimum value of £10,000 to a maximum of £75,000), alongside confirmed and secured private sector investment.

## 1.2 Fund Definitions

### 1.2.1 High-Growth Potential

Applicants will need to demonstrate how their proposal meets the high-growth aspirations of this Fund. Applicants should note that the Fund will be using the generally accepted OECD definition<sup>1</sup> of high-growth businesses, which is as follows:

"All enterprises with average annualised growth greater than 20% per annum, over a three year period should be considered as high-growth enterprises. Growth can be measured by the number of employees or by turnover."

Therefore, all applicants must include detailed business forecasts and financial projections showing annualised turnover or employment growth of at least 20% for the next three years.

### 1.2.2 Improving Business Productivity

The Solent is not as productive as it should be, when benchmarked against the wider south east. Businesses can apply for funding to support improvements in productivity through new processes / products / services, which may include new equipment or

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<sup>1</sup> "Eurostat – OECD Manual on Business Demography Statistics" (ISSN 1977-0375) - refer to web link below for further information: <http://ec.europa.eu/eurostat/ramon/statmanuals/files/KS-RA-07-010-EN.pdf>

new business premises. Applications should explain how the investment will improve the productivity of their business and how this will help the business grow.

### **1.2.3 Developing New Products**

It is recognised that some businesses may have identified new opportunities to introduce new products to existing markets or new markets. Businesses who are seeking funding to support new product development should explain the nature of the products they are seeking to develop, and quantify the scale of the new market opportunities that will be accessed, setting out the measures the business will undertake to develop the opportunity.

### **1.2.4 Developing New Markets**

Following the EU referendum outcome, it is recognised that whilst there are short term opportunities to trade overseas, supported by a fall in the value of Sterling, in the medium to longer term businesses in the UK will need to consider new and different international trade markets. Businesses who are seeking funding to support trading activity should explain the nature of the market they are seeking to develop, and quantify the scale of that market, setting out the measures the business will undertake to develop the opportunity.

### **1.2.5 Start-Up Businesses**

A start-up business is defined as one that is at an early stage in the life cycle of an enterprise where the enterprise moves from the idea stage to securing financing, laying down the basis and structure of the business, and is considering initiating operations or trading. If you are applying as a start-up business, in order to bid to the Fund your business must be registered with Companies House or, if you are a Sole trader, registered with HMRC, but not have begun trading at the time of application. Please note that any business that has been registered with Companies House for over a year cannot be considered as a start-up business even if they have not commenced trading. Finally your business must demonstrate credible evidence that it has the potential to grow quickly.

### **1.2.6 Challenging Trading Conditions**

It is recognised that the EU referendum outcome and the fluctuations in the price of oil and gas together with the impact of tariff imposition on key commodities such as steel may have impacts on businesses in the Solent. It is also recognised that there are instances of business re-structuring and stalled investment, which are also having an economic impact and resulting in challenging trading conditions.

For example, a fall in the value of sterling may provide a short-term boost to exports, but in the longer term this advantage may give way to increased exporting costs to the EU, and there may be a need for businesses to reduce costs to become more productive and competitive, and develop new markets.

It is expected that very few applications will fall into this category, and it is reserved for those businesses that are able to clearly evidence and articulate the impact of challenging trading conditions on their performance.

### **1.2.7 Direct creation or safeguarding of Private Sector Jobs**

Businesses must demonstrate that their proposal will lead to the direct creation of new, or safeguarding of existing, sustainable private sector full time jobs. For the purposes of this fund, a full time job is one of 36 or more hours a week. Two part time jobs of 18 or more hours a week count as equivalent to one full time job. Please note that only staff employed by, and on the payroll of, the applicant business will be considered as eligible.

Any jobs safeguarded must be full time equivalent employees on the payroll of the applicant businesses whose positions are genuinely at risk and, if funding is not secured, would most likely be lost within the following 12 months.

Jobs directly created or safeguarded would need to be **retained for a minimum of two years** after the project is completed.

Bids which demonstrate that they create a higher number of new jobs directly will be considered stronger. Applicants should also note that the Investment Panel will consider the cost per job as part of their assessment of each application. Over the previous rounds of Solent LEP business support funds, the average cost per job has been in the region of £6,000 of Solent LEP funding per job created. It is recognised that for some particularly high-skilled roles the cost per job will be higher than the benchmark above.

## 2 Eligibility Criteria

### 2.1 Geographical Eligibility

The primary focus of the fund is to support SMEs which are registered in the Solent LEP area. If your registered business address is outside of the Solent LEP area, but your premises are within the Solent LEP area, please highlight this on your application form.

The Solent LEP strongly recommends potential applicants check that they are situated in the area eligible for funding before applying. The Solent Growth Hub has a useful postcode checking utility available on their website which will confirm whether or not your business location, or proposed business location, is within the Solent LEP area. Please refer to the website at: <http://www.solentgrowthhub.co.uk/>.

### 2.2 Small Business Eligibility - SME

If you are applying as an established business, your business must qualify as an SME as per the EU definition summarised in the text and table below. In addition, it is a requirement that any funding recipient remains a SME for the duration of the delivery of the project.

For the purpose of the Fund, SMEs are defined under the “SME” definition in Annex I of Commission Regulation (EC) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the common market in application of Articles 107 and 108 of the Treaty (the “General block exemption Regulation”). The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro.

The definitions of SMEs are summarised in the table below. In addition to the staff headcount ceiling, an enterprise qualifies as an SME if it meets either the turnover ceiling or the balance sheet ceiling, but not necessarily both.

| <b>Enterprise category</b> | <b>Headcount</b> | <b>Turnover</b> | <b>or</b> | <b>Balance sheet total</b> |
|----------------------------|------------------|-----------------|-----------|----------------------------|
| Medium-Sized               | < 250            | ≤ € 50 million  |           | ≤ € 43 million             |
| Small                      | < 50             | ≤ € 10 million  |           | ≤ € 10 million             |
| Micro                      | < 10             | ≤ € 2 million   |           | ≤ € 2 million              |

Further information is available from the following web link:

[http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition\\_en](http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en)

## 2.3 Management Buy-Outs (MBOs) and Company Acquisitions

Projects seeking funding for MBOs and company acquisitions will **not** be eligible to apply.

## 2.4 Franchises

Applications from businesses established under a franchise will **not** be eligible to apply. The process of franchising already confers significant benefits to the franchisee in terms of permitted use of an established brand name, adoption of a tried and tested business model, and in many cases assistance with marketing and reduced start-up costs. This fund is seeking to support as diverse an SME base across the Solent area as possible; accordingly franchise applications will **not** be eligible to apply.

## 2.5 Bid Threshold

This £1.8 million programme offers to successful applicants funding in the form of revenue and/or capital grants from a minimum value of £10,000 to a maximum of £75,000, alongside confirmed and secured private sector investment.

## 2.6 Private Sector Investment

The amount sought from the Fund must contribute to a project alongside **confirmed and secured** private sector investment. Funding leveraged in as private sector investment needs to demonstrate a real stake in the outcome of the project or programme. The expectation will be clear, demonstrable leverage, with funds readily available to be drawn upon to deliver the project.

Start-up businesses and business impacted by recent economic events applying for funding will need to demonstrate a minimum 60% private sector contribution. For example, if the overall project cost is £100,000, you would be able to bid for a maximum of £40,000 from the Fund.

Existing businesses applying for funding to support high-growth aspirations will need to demonstrate a minimum 80% private sector contribution. For example, if the overall project cost is £100,000, you would be able to bid for up to £20,000 from the Fund.

Please note that the percentages outlined above are the minimum level to ensure your bid is eligible. Bids which evidence that they can leverage more private sector investment will be considered stronger.

## 2.7 Sector Focus

The Solent LEP area has a diverse economy, but does exhibit significant sectoral strengths. Only bids from SMEs which are directly operating within the sectors below will be considered:

- Marine and Maritime;
- Advanced Manufacturing (including photonics and advanced materials);
- Aerospace;
- Defence;
- Life Sciences and healthcare;
- Digital Technologies;
- Digital Creative Industries;
- Oil and Gas;
- Information Economy;
- Construction;
- Clean / Green Technology.

## 2.8 Sectors and activities which cannot be supported

Applications can only be made for new projects seeking capital and/or revenue funding. As such, funding **WILL NOT** be provided to cover businesses **existing** working capital or revenue costs, which are not contributing to the delivery of the new project. For clarity this includes items such as salaries, rent, rates, utilities, stock and raw materials.

Please note that any costs incurred prior to the submission of an application will be considered as sunk costs and cannot form part of the project's eligible costs.

Please note that the following activities/sectors **CANNOT** be supported under any circumstances by the Fund:

- undertakings active in the fishery and aquaculture sectors;
- activity in the primary production of agricultural products;
- undertakings active in the processing and marketing of agricultural products when the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned or when the aid is conditional on being partly or entirely passed on to primary producers;
- aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;
- aid contingent upon the use of domestic over imported goods;
- undertakings active in the coal sector;

- acquisition of road freight transport vehicles granted to undertakings performing road freight transport for hire or reward.

If you require any further information in relation to any of the above points please contact us using the contact information in section 7 of this document.

## 2.9 State Aid

Following the EU referendum outcome, the UK will remain a member of the EU until negotiations have been finalised so currently, and until the formal exit, state aid rules will still apply.

State aid is any advantage granted by public authorities through state resources on a selective basis to any organisations that could potentially distort competition and trade in the European Union (EU). The definition of state aid is very broad because ‘an advantage’ can take many forms. It is anything which an undertaking (an organisation engaged in economic activity) could not get on the open market, such as the funding offered under the Solent Growth Fund: Small Business Programme.

In principle, state aid is not allowed in the EU. However, some state aid is beneficial to the economy and supports growth and other policy objectives. State aid can be given to support a wide variety of activities including research and development, environmental protection and aid for small to medium-sized businesses. The state aid rules allow for good aid, which is necessary to deliver growth and other important objectives.

The UK complies with the need for effective state aid rules to prevent distortion of competition and to create an open and competitive market in the EU on which UK firms can fairly compete and grow.

Funding awards from the Fund will only be made to businesses with proposals which are compatible with EU state aid regulations, and applicants should be aware that their proposal will be scrutinised accordingly. Applicants should note that the responsibility for ensuring their application for funding is compliant with state aid legislation is theirs, and they may wish to seek advice accordingly. Applicants should refer to the links below for further general information on state aid:

- <https://www.gov.uk/guidance/state-aid>
- <https://www.gov.uk/government/publications/state-aid-the-basics>
- [http://ec.europa.eu/competition/state\\_aid/overview/index\\_en.html](http://ec.europa.eu/competition/state_aid/overview/index_en.html)

## De Minimis Aid

All grants awarded under the Small Business Programme will only be offered on the basis of De Minimis aid.

De Minimis aid is used to describe small amounts of state aid that do not require European Commission approval.

The European Commission considers that public funding which complies with the De Minimis regulation has a negligible impact on trade and competition, and does not require notification and approval.

The maximum De Minimis funding any single recipient can receive is €200,000 (cash grant equivalent) over a three-year fiscal period. The sterling equivalent is calculated using the Commission exchange rate applicable on the written date of offer of the De Minimis funding.

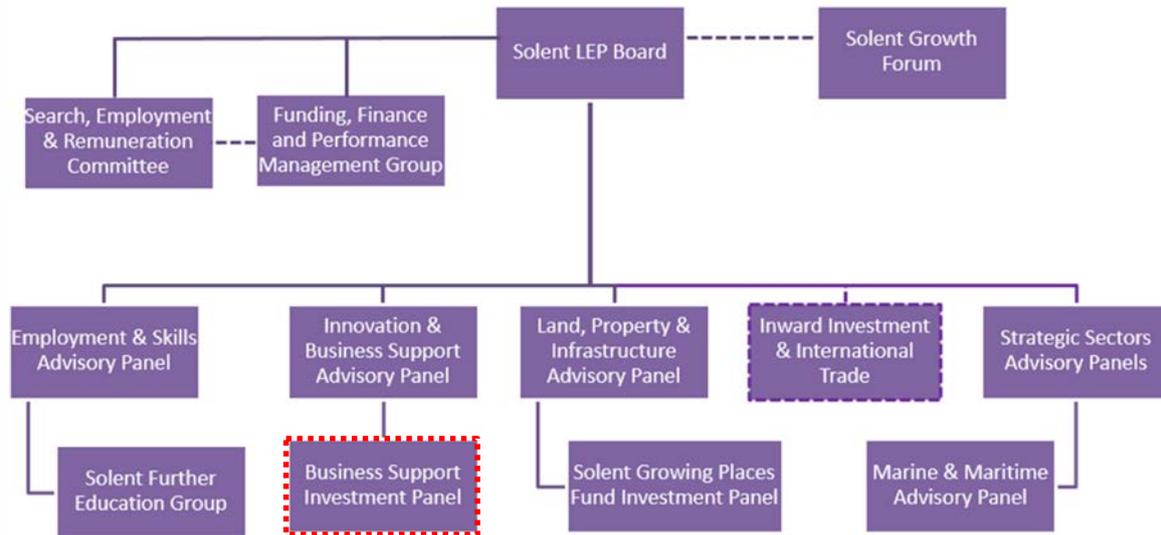
This ceiling takes into account all public assistance given as De Minimis funding over the previous three fiscal years including grants, loans, subsidised contracts and so on.

### 3 Assessment Criteria

All Funds will be allocated on a competitive basis. Only the strongest bids will be successful, assessed against the following key criteria, in relation to one another (not all may be relevant for all applications):

|                                       |   |
|---------------------------------------|---|
| <b>Strategic Fit</b>                  | Fit with the published sector focus criteria of the Fund (see section 2.7)  |
| <b>High Growth Potential</b>          | The degree to which the proposal demonstrates alignment with the high-growth aspirations of the fund (see section 1.2.1)  |
| <b>Productivity</b>                   | The degree to which the proposal supports an increase in productivity in the applicant business through the introduction of new processes / products / services (see section 1.2.3).                        |
| <b>International Trade</b>            | The degree to which the proposal clearly identifies new markets for development or growth in existing markets, and quantifies the scale of that market (see section 1.2.4).                                 |
| <b>Challenging Trading Conditions</b> | The provision of clear evidence of challenging trading conditions on the applicant business (see section 1.2.6).  |
| <b>Risk</b>                           | The degree to which the applicant business has considered, identified and mitigated for project related risks.  |
| <b>Finances</b>                       | The current and historical trading position of the applicant business, and the deliverability of associated financial projections.  |
| <b>Timing</b>                         | That the project and associated outcomes are deliverable within the published timeframes of the fund.   |
| <b>Private Sector Investment</b>      | The amount and scale (as a percentage of the total project costs) of private sector investment unlocked by the project.   |
| <b>Jobs</b>                           | The value for money achieved when compared with the fund benchmark, sustainability and total number of jobs directly created / safeguarded.   |
| <b>Additionality</b>                  | The likely impact of the funding on the speed or scale of outcome delivery and the extent to which the funding could shift economic activity from other areas.  |
| <b>Wider Economic Impact</b>          | The inclusion of additional benefits or outcomes which the project may have on Solent area (e.g. indirect employment; growth in LEP priority sectors; supply chain benefits; environmental sustainability). |

### 3.1 Investment Panel for Consideration of Applications



The Business Support Investment Panel sits within the Solent LEP Governance Structure as shown above, outlined in red. The Panel will have regard for, and act in accordance with, the agreed scheme of delegation and the Solent LEP Assurance Framework.

Final decisions on the bids to be supported by the Fund will be made by the Business Support Investment Panel, the Solent LEP and the Accountable body for the Fund, Portsmouth City Council.

Please note that decisions taken by the Investment Panel in relation to which projects to support, or to recommend for support, are final and there will be no right of appeal.

Further information regarding the Business Support Investment Panel can be found on the Solent LEP website: <https://solentlep.org.uk/who-we-are/solent-lep-funding-panels/business-support-investment-panel/>

## **4 Other Information**

### **4.1 Equality Act**

In developing this Fund, the Solent LEP has been very mindful of the obligations under the Equality Act 2010 and in particular the impact of the proposals on groups with protected characteristics. A preliminary Equalities Impact Assessment (EIA) has been undertaken in relation to this Fund and the LEP considers that there is no adverse impact on groups with protected characteristics. Further information on Equalities Impact Assessment can be found here:

[https://www.portsmouth.gov.uk/ext/the-council/equalities/equality-impact-assessments-\(eia\).aspx](https://www.portsmouth.gov.uk/ext/the-council/equalities/equality-impact-assessments-(eia).aspx).

### **4.2 Demographic Focus**

Whilst the fund is open to all established Solent based SMEs and individuals looking to start-up, grow or safeguard businesses in the Solent area, the LEP will particularly welcome applications from the following demographic groups:

- Young entrepreneurs aged 16 - 24;
- Female entrepreneurs.

### **4.3 Legal**

If the EU or Government withdraws, varies or substantially amends the running of the Fund or its financing then funds will not be available and neither the Solent LEP, nor Portsmouth City Council (acting as the Accountable Body for the Fund) will be liable for any costs associated with applications.

Please note that the Solent LEP and Portsmouth City Council accept no liability for any costs incurred in the submission of Application Forms in relation to the Fund under any circumstances.

Please note that payments from the Fund can only be made to a business account, and not direct to the personal bank account of any one individual.

## 5 How to Apply

To apply for funding, please complete the application form available to download from the Solent LEP website. It is strongly recommended that, before submitting an application form, you ensure that your proposed bid is eligible for the Fund in relation to the eligibility criteria included in section 2 of this document.

### 5.1 Pre-Application Support

For any applicants who wish to discuss their proposal prior to submission, the Solent Growth Hub provides this service, which is free to access.

For further information, please visit [www.solentgrowthhub.co.uk](http://www.solentgrowthhub.co.uk), call 01329 820 898 or email [info@solentgrowthhub.co.uk](mailto:info@solentgrowthhub.co.uk).

### 5.2 Application

Applicants should note that the application process requires a level of detail similar to that required in order to access finance provided by the commercial banking sector.

Application forms will need to be submitted electronically to:

[funding@solentlep.org.uk](mailto:funding@solentlep.org.uk).

### 5.3 When to Apply

The Fund is open for business all year round. The Investment Panel (see section 3.1 for details) will meet regularly during the year to make its investment decisions.

Application forms must be submitted by the closing date as published on the Solent LEP website in order to be considered. Any applications received after this date will be considered in the following round.

The Investment Panel will cease to meet as soon as all funding has been allocated. Therefore, applicants are advised to submit their applications at their earliest possible convenience in order to avoid disappointment.

Please note we can only deal with one application from a given enterprise at any one time.

The LEP can only discuss the detail of applications with the named lead contacts on the application form.

The Investment Panel will use the information provided in the application to make a decision as to whether to invest funds in a proposal. To assist with the decision making process some applicants may be requested to present their proposals to the Investment Panel.

## 5.4 Due Diligence

All submitted applications will be required to undergo a technical due diligence review. Projects will need to satisfactorily complete the process before funding is awarded subject to contract. There will be three stages to the process:

### **Funding impact**

The Solent LEP will undertake an appraisal of the extent to which a proposal's benefits will be realised without the funding or the impact of the funding on the speed of delivery of the economic benefits, and the extent to which the funding will shift economic activity from other areas.

Projects that can demonstrate a greater impact as a result of an investment from the Fund will be looked at more favourably.

### **Financial appraisal**

The Solent LEP will not fund projects which would still be funded and be able to go ahead without investment from the Solent Growth Fund. In other words, the LEP's funding must not replace other funding options, and applicants must demonstrate the need they have for investment from this fund. The Solent LEP will also provide only the minimum funding required to allow the project to progress. The financial appraisal stage will, therefore, seek to:

- Appraise the project financial position and test underlying assumptions;
- Identify the minimum funding needed to unlock the project;
- Understand the pricing and marketing strategies for the project;
- Understand and consider the financial, commercial and market risks associated with the project;
- Review the level of optimism bias contained in the costings; and
- Gain comfort around deliverability / defrayal of funding within specified timescales.

The Solent LEP may also, where appropriate, enter into dialogue with the applicant and other parties in order to discuss the viability of a project (for example, with the local planning authority, where the viability of a scheme may be impacted by the scale of the planning obligations).

### **Financial standing**

Applicants will be required to undergo a thorough review of their financial standing.

An assessment of credit worthiness will be required for all applications.

The Solent LEP also reserves the right to take account of an applicant's financial track record.

## **Deliverability**

The Solent LEP will undertake a risk assessment for each shortlisted project. This will review risks in relation to:

- The ability to start the project in a timely fashion including a review of title, planning and site constraints, if relevant;
- The programme of activity and underlying assumptions;
- The sales/revenue programme and underlying assumptions;
- Mitigation of potential cost increases;
- The defrayal of project funds by agreed deadlines;
- The development plan for the project;
- The likelihood of the stated outputs being achieved.

**Please note:** The Solent LEP reserves the right to request further information or evidence from any applicant.

## 6 Post Award Requirements

Successful applicants to the Solent Growth Fund: Small Business Programme will be made a conditional offer of funding, once a full proposal has been recommended for support by the Business Support Investment Panel. This conditional offer of funding will take the form of a legally binding contract and should be given due consideration before the terms are accepted.

In addition, each successful applicant will then be allocated a Solent LEP project manager, who will act as a single point of contact for any Solent Growth Fund: Small Business Programme related enquiries.

Once the terms of the contract have been accepted, there will usually be a number of preliminary conditions which must be fulfilled prior to any claim for funding being submitted.

As a minimum, these will include:

- Submission of a detailed project delivery plan;
- Evidence that all private sector funding for the project is in place;
- Evidence that a business bank account is set up for receipt of the funding.

Once the funding agreement has been signed, a claim for funding can be submitted. Payment of support will be made to an agreed funding profile, and is conditional upon all preliminary conditions being discharged in full. Successful applicants must complete a quarterly monitoring report throughout the duration of their project. The monitoring report will ask beneficiaries to give a short description of progress made on project activities, progress against agreed outputs, and evidence of defrayed expenditure for both the funding and locally funded components (for example invoices).

Specific monitoring requirements will be confirmed as part of the contract. However applicants should be aware that these may include:

- Company incorporation statement/registration or letter or standard form to collect the data signed by a senior officer of the business e.g. the Owner/Chief Executive Officer to verify new Start Up Businesses;
- Key information about individuals employed in both existing and new jobs created, such as: Gender/Age/Disability/Ethnicity;
- Declaration of De Minimis aid received, signed by a senior officer of the enterprise;
- Documentation to confirm details of new products / services, including marketing information or literature or product status reports.

At least once a year, all claims by a beneficiary must be verified by a qualified accountant independent of the beneficiary business and the project.

For all successful applicants, a minimum of 50% of their funding will be withheld until the point at which all outputs and all project costs defrayed, or the final claim date of 15<sup>th</sup> April 2019, whichever comes first.

## Activity Timetable

| <b>Activity</b>  | <b>Timeframe/Deadline</b>  |
|--|--|
| Formal launch of Fund  | 2 February 2017  |
| First deadline for submission of Applications                              | 3 <sup>rd</sup> March 2017 <b>(and usually bi-monthly thereafter)</b>  |
| First Investment Panel meeting to consider proposals for the current round | 6 <sup>th</sup> April 2017 <b>(and usually bi-monthly thereafter)</b>  |
| Deadline for submission of Full Applications for future rounds             | As published on the Solent LEP website   |
| Investment Panel meetings to consider proposals for future rounds          | As published on the Solent LEP website   |
| Notification of panel outcomes to applicants                               | Within 10 working days of Panel meetings   |
| Conditional funding offer letter issued                                    | Within one month of notification of Panel outcomes to applicants   |
| Progress reports to be issued to the LEP until the final report deadline   | Quarterly  |
| Fund closes for final applications   | 1 <sup>st</sup> December 2018  |
| Deadline for final claim submission  | 15 <sup>th</sup> April 2019<br>(Please note that the Solent LEP and Portsmouth City Council will be under no obligation to make payment against claims received after this date) |
| Deadline for creation of all contracted jobs and other contracted outputs  | 31 <sup>st</sup> March 2019  |
| Deadline for final evaluation report submission                            | 15 <sup>th</sup> April 2019  |
| Deadline for final accountants' report                                     | 15 <sup>th</sup> April 2019  |

## 7 Contact Information

Should you have any general enquiries on any of the information included in this document, please contact the Solent LEP team using the information below:

**In writing:** Solent LEP  
Third Floor  
1000 Lakeside  
Western Road  
Portsmouth  
PO6 3EN

**By email:** [funding@solentlep.org.uk](mailto:funding@solentlep.org.uk)

**By Phone:** 023 9268 8924

Should you wish to discuss your proposal prior to submission to the Solent LEP, the Solent Growth Hub provides this service, which is free to access.

For further information, please visit [www.solentgrowthhub.co.uk](http://www.solentgrowthhub.co.uk), call 01329 820 898 or email [info@solentgrowthhub.co.uk](mailto:info@solentgrowthhub.co.uk).



