

Funded by UK Government Wedi ei ariannu gan Llywodraeth y DU

Rhondda Cynon Taf Shared Prosperity Fund Business Growth Grant

Guidance Notes for Applicants

The Council is committed to keeping your personal information safe and secure and keeping you informed about how we use your information.

For further information please read the Privacy Notice.

This document is also available in Welsh.



BUSINESS GROWTH GRANT GUIDANCE NOTE

1. PURPOSE OF THE FUND

The aim of the Business Growth Grant is to support sustainable local business growth across Rhondda Cynon Taf, by investing in businesses which contribute to creating a vibrant and strong local economy.

It can provide financial assistance for businesses including:

- Start Ups (less than 12 months old). A change in company status does not classify the business as a start-up.
- Existing businesses
- Private and social enterprises

The Fund can support businesses with:

- Start Up
- Expansion and growth
- **Diversification** into new markets, contracts or new customers
- **Innovation** through introduction of new and innovative technology
- **Sustainability and resilience** including initiatives that deliver measurable energy efficiency / carbon reduction benefits.

2. GRANT LEVELS

- Grant Rate
 Maximum of 75% contribution towards eligible project costs (excluding VAT).
- Grant Amount

Businesses Based In	Minimum Grant	Maximum Grant
Commercial premises	£2,000	£15,000
Residential premises	£1,000	£2,000
A Business Centre*	£1,500	£7,500

* Business based in Business Centre (a centre that houses multiple types of flexible business work spaces in one physical space).

3. WHO CAN APPLY?

YES:

- ☑ Operate within the County Borough area of Rhondda Cynon Taf.
- ☑ Are over 18 years of age.
- ☑ Are a small medium size business (up to 250 employees and annual turnover of less than €50 million).
- Be/will be a full-time venture (employing 1 Full Time Equivalent job.) This will be based on the standard full-time hours of your own business.
- ☑ Full time businesses where you are not employed elsewhere and/or will not be claiming income related benefits post approval.
- ☑ If a Start Up, will be trading within 3 months of any grant offer.
- Pay Council Tax or Non-Domestic Rates (including exemption) to RCT CBC.
- ☑ Have/will have a lease / license with 3 years unexpired (if operating from a commercial property)
- ☑ Have/will have Public Liability Insurance.
- ☑ Home based business expanding into commercial premises
- Have/will have the correct permissions to operate a business/undertake the project from the commercial premise or home address (e.g. landlord consent, planning permission, lawful use classification, advertising consent etc.)For further information on permissions / consents please click on the links below;
 Planning Make an application Building Control Listed buildings Planning Services
 © 01443 281134 or planningservices@rctcbc.gov.uk
 Licenses and Permits

NO:

- E Landlords of commercial properties who are not also the tenant business
- Property developers
- Air BNB businesses
- Individual entertainment artists/performers
- Part time, hobby or seasonal businesses
- Test trading businesses
- Self-employed within another business
- Businesses offering non-surgical and/or <u>unregulated beauty treatments</u>
- Businesses undertaking any activity, which in our opinion, could bring the Council into disrepute.
- E Dentists
- Opticians
- E Pharmacies
- E Food vans based on the public highway
- Businesses purely relocating premises and unable to demonstrate growth

This is not an exhaustive list and eligibility will be determined on a case by case basis.

4. WHAT CAN THE GRANT SUPPORT?

YES:

- ☑ Purchase of equipment
- ☑ Purchase of plant and machinery
- ☑ Purchase of specialist hardware
- Minor building works such as, internal reconfiguration works (in commercial premises only and where there is a clear case for increased productivity or growth)
- Development of new professionally built websites where no web presence currently exists.
- ☑ Energy efficiency measures these should be identified as high priority on an Energy Performance Certificate

NO:

- Revenue costs (e.g. rent, rates, insurances, salaries, training, software and subscriptions)
- Building maintenance / repair costs
- Replacement of old and outdated equipment, including ICT.
- Utilities / services installation charges.
- Outsourced consultancy costs e.g. PR, marketing, legal or financial
- Costs relating to statutory procedures / contingencies
- Building materials only costs must include supply and fit
- Source Works carried out to a residential property
- High specification equipment / luxury items, unless there is a direct link to the business activity
- Items to be purchased on Hire Purchase / Lease Arrangements or with cash
- Costs where you are both the applicant and supplier
- Purchase of vehicles, trailers, property and associated fees / taxes
- Purchase of goods/stock for the purpose of re-sale or rental (including salon equipment which will be rented out to self-employed hairdressers / barbers / beauticians)
- Purchase of mobile phones
- Sundry costs for items below £50
- Items which a business would be expected to cover from its own cashflow as essential expenses e.g. standalone office equipment for new starters
- Retrospective costs including deposits (refundable or not)
- Costs to meet statutory obligations such as health and safety, fire safety standards. and /or any regulatory standards specific to your business activity.
- Costs associated with improving the accessibility of a property
- Routine replacement / upgrading of equipment and fixtures and fittings (including where you have taken over an existing business and equipment and fixtures and fittings form part of the lease and/or where you currently have the equipment on a rental agreement)

This is not exhaustive and eligibility will be determined on a case by case basis.

5. SUBSIDY CONTROL – MINIMAL FINANCIAL ASSISTANCE

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

Grant support provided by the Business Growth Grant is offered under Minimal Financial Assistance (MFA). MFA has a financial threshold which means that <u>no recipient can receive</u> <u>more than £315,000 over the applicable period</u> 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 <u>during the current and previous two financial years:</u>

- 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.

If your application is successful, you will be asked to confirm in writing that the grant offer will not exceed your organisations MFA threshold of £315,000.

If you are unsure whether any previous support you have received is classed as MFA, please contact the organisation that provided it.

6. WHEN CAN I APPLY?

The Grant operates on a rolling programme basis and there are currently no set bidding rounds.

There is no guarantee that all applications will be successful. Proposals will be assessed on a first come first served basis, subject to eligibility and available budget.

Our aim is to support as many businesses as possible. Due to the high demand for this grant and a limited budget, we reserve the right not to invite repeat applications from the same business.

7. HOW DO I APPLY?

Stage 1 - Expression of Interest

- Complete an Expression of Interest form
- If you are applying for a business operating from a commercial address, please include a copy of your lease.
- If you are applying for a business operating from a residential address, please include a copy of your latest Council Tax bill.
- Email the form and lease/Council Tax bill to regeneration@rctcbc.gov.uk.
- Please note that submission of an Expression of Interest is not a guarantee that you will be invited to submit an application, or that any subsequent application will be successful.

Stage 2 - Full Application

- <u>If</u> your Expression of Interest is eligible, we will invite you to submit an application.
- You will need to provide:
 - Fully completed and signed application form
 - Signed 3 year lease (commercial premises)
 - Council Tax bill in the name of the applicant (residential premises)
 - > 2 comparable quotations for each element of eligible spend
 - > Public liability insurance showing the name and address of the business
 - Staff structure
 - > Evidence that any statutory consents required have been approved
 - > Any other supporting information which will be identified in the invitation

Please submit your application and all supporting information at the same time.

8. WELSH LANGUAGE

You will need to explain how your project / business provides opportunities to promote the Welsh Language.

9. CLIMATE CHANGE / CARBON REDUCTION

The Rhondda Cynon Taf Council Strategy "<u>Think Climate</u>" sets out the commitment to making Rhondda Cynon Taf carbon neutral by 2030. You will need to explain the measures you are taking to reduce your carbon emissions.

10. HOW WILL MY APPLICATION BE PROCESSED?

Decisions on applications will be made based on the information provided in the application form, associated evidence and information checks that are conducted from other business data sources. Further information to support your application may be requested.

If any information is incomplete, incorrect or the evidence provided is insufficient the application will not be processed and it will be rejected.

11. HOW WILL I KNOW THE OUTCOME OF MY APPLICATION?

If your project is approved:

- You will receive a letter asking you to confirm that the grant offer will not exceed your Minimal Financial Assistance (MFA) threshold (see Section 3).
- If within the MFA threshold, you will then receive the formal offer confirming the detail of the grant and its terms and conditions.
- If you wish to accept the grant you will need to sign and return the terms and conditions, and you can then start your project.

• You must <u>not</u> start your project / incur <u>any</u> expenditure until you receive the formal offer of grant.

There is no guarantee that all applications will be approved, and you will be notified if your application is unsuccessful.

12. HOW WILL THE GRANT BE PAID?

Once you have had an approval letter, you will need to pay for all the costs included in your approved project and then submit the required information to claim the grant.

Grant payment will usually only be made at the end of your project on submission of:

- Invoices
- Bank statements to evidence the payment being made to the supplier/contractor
- Photographic evidence
- Submission of any information relating to special conditions which will be included in your grant offer letter

Grant payment will:

- usually only be made on the lowest cost, be that the original quotation price or the final invoice price
- be made into the bank account that you have identified for your business

Grant payment will NOT:

- be made upfront / in advance
- be made directly to suppliers/contractors
- be made for any costs you have incurred prior to the date of the grant offer (even in the form of refundable deposits)

13. OUTPUTS

Successful applications will be expected to provide evidence to support the achievement of the outputs included in the application form. Failure to comply may result in the grant being withheld or withdrawn and may prevent further applications.

14. HELP AND SUPPORT

We want to support as many of our businesses as possible.

If you are unsure whether your project is eligible or need any help and advice when completing the Expression of Interest or application form, then please contact us:

regeneration@rctcbc.gov.uk

1443 281124

Rhondda Cynon Taf Council has absolute discretion over the terms of the Business Growth Grant and retains the ability to amend the criteria at any time.

We cannot be held responsible for advice given by a third party which may be incorrect.