

GRANT UPDATE

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Welcome to our Autumn Grant Update. In this edition we highlight a major new capital grant scheme for South West businesses funded by the Regional Growth Fund, review a new grant scheme for farmers, growers and food processors in Cornwall & the Isles of Scilly, and update on the centrally controlled 'calls' process for applications to the new European Growth Programme. The South West Growth Fund has a far reaching geographical footprint from Gloucestershire to Cornwall and will be of benefit to key industry sectors able to create new jobs. The European Agricultural Fund for Rural Development (EAFRD) Growth Programme is part of the UK Rural Development Programme and is now open for SME business in Cornwall & the Isles of Scilly.



South West Growth Fund

The South West Growth Fund (SWGF) is an £8.7 million grant fund run by a partnership comprising Plymouth University/ GAIN, SWMAS Ltd, South West Water and Western Morning News.

The fund is able to provide investment grants to small and medium sized enterprises throughout South West England and large companies within the Assisted Areas of South West England. These grants, ranging in size from £15,000 to £999,999, are awarded on a competitive basis to growing businesses that intend to make substantial new capital investments that will lead to quality, permanent job creation. A small proportion of the fund may also be applied to research and development or training activities, although the budget for this aspect of the programme is small so relatively few projects of this kind are likely to be supported.

The money comes from central Government's Regional Growth Fund (RGF) and its principal purpose is to create new, high quality jobs and re-balance the economy in areas that traditionally have had high levels of public sector employment or where economic performance is lagging behind the UK average.

Due to State Aid restrictions, certain sectors will be ineligible for support. However, priority sectors include - Advanced

Engineering, Marine, Digital Creative and Environmental. Other sectors may be supported where they service regional, national or international markets including; Manufacturing, Food Processing, Electronics, and Pharmaceuticals.

The proposed grant-funded project and resulting employment must be located within the South West region. This comprises the following local authority areas: Bath & North East Somerset, Bournemouth, Bristol, Cornwall, Devon, Dorset, Gloucestershire, Isles of Scilly, North Somerset, Plymouth, Poole, Somerset, South Gloucestershire, Swindon, Torbay, and Wiltshire. Project costs must be spent by 31st March 2017.

A grant prospectus is available with full details on eligibility on www.gaininbusiness.com/swgf. Please note that you will need to register your details on the GAIN website.

Competition for the funding is high and following a successful Expression of Interest, businesses are required to submit a business plan, application form and financial forecasts. These are all areas that the Bishop Fleming Grant Services team are experienced in helping clients with. For further information on how we can give your application the best chance of success, contact Bishop Fleming's Director of Grant Services, Ewan McClymont, or call 03333-219000.



Cornwall & Scilly EAFRD Growth Programme

The first phase of the European Agricultural Fund for Rural Development (EAFRD) Growth Programme is now open for SME business in Cornwall and the Isles of Scilly. The EAFRD Growth Programme is part of the UK Rural Development Programme – in Cornwall and the Isles of Scilly it is worth £9.4m and will run alongside the wider EU Growth Programme from 2014 to 2020.

The EAFRD Growth Programme will be announced through a series of 'calls', the first of which is for SME support towards investments that add value to primary agriculture and horticultural products. The value of the first call is £2.5m, with grants available of between £35,000 (£10,000 in Scilly) up to £1.0m.

The aim of this call is to help farmers, growers, and food processing businesses grow and develop existing markets, as well as expand into new markets. Applicants must therefore demonstrate that the farmers and growers that supply the raw materials will directly benefit from the project. Micro, small and medium sized businesses can apply for grant assistance if

they process Annex 1 agricultural and horticultural products. The exception is fisheries products, which will be subject to a separate funding stream to be announced in the near future.

The deadline for applications under this call is **30th October 2015**. Further details can be found at –

<https://www.gov.uk/european-structural-investment-funds/sme-support-call-in-cornwall-and-the-isles-of-scilly-05rd15bs000>

Initial queries are also being supported by the Cornwall Development Company on 01872-324649 or email rodda@cornwalldevelopmentcompany.co.uk.

Further EAFRD calls for Rural Tourism, Rural Business Development and Farm Diversification are planned for later in 2015. In addition, similar schemes will be announced in other areas throughout the UK in the near future, details of which will be posted on the European Structural & Investment Fund website, highlighted in this newsletter.

ESIF Programme Update

The second round of calls for the European Growth Programme for the UK went live at the end of July with over 100 open calls nationally, including 40 in the South West and West Midlands region. The European Structural & Investment Funds Growth Programme (ESIF) runs from 2014-2020, and includes money from the European Social Fund (ESF), European Regional Development Fund (ERDF), and European Agricultural Fund for Rural Development (EAFRD).

The calls cover a broad range of areas including; SME Competitiveness, Information and Communication Technology, Research & Development, Rural Tourism, Low Carbon, and Environment & Resource Efficiency. In addition, there are calls to support SMEs through dedicated Growth Hubs that will launch in each Local Enterprise Partnership area next year.

Applicant organisations include: Local Authorities, statutory and non-statutory public funded organisations, Higher & Further Education Institutions, voluntary & community organisations, registered charities, not-for-profit organisations, as well as private sector companies. Deadlines for applications vary between each call and further rounds of funding calls will be announced on a rolling basis.

You can review details of the existing and future ESIF calls on a central Government website –

<https://www.gov.uk/european-structural-investment-funds>



European Union
European Structural
and Investment Funds

Grant Services

Specialist grant funding advice for businesses in the South West and Midlands.

Whether you are seeking advice on the grants currently available, or require an experienced professional to advise you through the grant application process, Bishop Fleming can provide the help you need.

Our specialist Grants Service is a well established part of the firm's corporate finance discipline. We're highly experienced in helping businesses to find and secure grant funding. We can tell you which schemes are available, whether you meet the qualifying criteria, as well as assist with the application process.

The sources and availability of grants change frequently. We therefore maintain our own grants database which currently details more than 100 schemes. Through our 'grant matching' service, we can easily refer to the database to check whether your business might qualify for a grant.

Our track record speaks for itself – we've helped secure over £20m of grant funding for projects in sectors such as:

- Renewable energy
- Environmental technology
- Oil and gas drilling
- Marine
- Advanced engineering
- Manufacturing
- Creative media
- Construction
- Medical
- Tourism
- Brewing and food processing

Grants secured have related to capital investment, recruitment and training, consultancy, mentoring and marketing.

For more information, please contact our Director of Grant Services

Ewan McClymont ☎ 03333-219000 ✉ emcclymont@bishopfleming.co.uk

bishopfleming.co.uk/service/grant-services

Top Tips to Maximise Grant Success

If you've ever applied for grant funding you may have found the experience somewhat daunting. Here are six top tips that might make the process run more smoothly next time you are looking at this type of funding.

1. Are you eligible? Not all business sectors are eligible for funding so an early dialogue with the fund provider is therefore recommended. Equally important, avoid trying to engineer your project to fit the grant criteria as this may divert you from where your business ought to be heading.

2. Can you demonstrate a 'need' for funding? If the project will go ahead anyway then your case for grant is seriously weakened. Some examples of 'need' could be a cashflow shortfall, funding gap or payback policy. It could also be to reduce risk, or with property projects, to address a discrepancy between market value and build cost. The maximum intervention rate is normally 50% so you will need to demonstrate that you can match fund the grant either from reserves, cashflow or loan.

3. What will the impact be on competition? Generally speaking, if you sell to or service a mainly local client base you will struggle to attract grant funding. This is due to EU 'displacement' rules that don't allow your local competition to be disadvantaged by you receiving a grant.

4. Has the project already started? Grants are very rarely retrospective – in other words, if you have already started to incur costs then you cannot claim funding against them and indeed, the overall project may be deemed ineligible as it would be viewed as proceeding anyway.

5. What will you deliver in return? To attract grant funding you normally have to deliver outputs that provide economic benefit to the region. These are usually – protecting existing jobs, creating new jobs, up-skilling staff, increasing productivity and improving profitability. There is also increasing emphasis on the environmental impact, social diversity and introduction of innovative products and processes.

6. First impressions count. Getting your house in order with up-to-date management information, market and customer data, costs and project benefits – this will significantly enhance your credibility. The overall application usually requires a business plan and credible financial forecasts – a succinct account of your business, market, customers, competitors, products, project summary and rationale, and benefits as a result of your investment.

If in doubt, seek professional advice. Bishop Fleming offer a free initial grant consultation and funding search. Contact Ewan McClymont, Director Grant Services – 03333-219000 or email emcclymont@bishopfleming.co.uk.

