

Invest4 Business Growth Grants – Phase 2

FAQ'S

The Invest4 programme started in April 2020 and is now in its final year. It re-opens for a phase 2 from 1st August 2022, with around 94% of the £2.81 million grant budget already allocated. Application forms and additional forms are available from invest4@brighton-hove.gov.uk

- All claims must be submitted by 3 January 2023
- Longer term services such as IT consultancy or subscriptions are now not eligible.
- If you are buying machinery on a long lead time, it needs to be in situ by end of December 2022 to allow payment of the grant

How much grant funding can I apply for?

The fund will provide up to 30% toward your business investment. We are accepting applications for grants of between £1,000 and £6,000 (capital or revenue).

These grants are for businesses that have identified or secured funds to invest in their own business growth and are able to evidence that they have the 70% match necessary to obtain an **Invest4** grant.

Note: **Invest4** grants are not part of the government package of Covid support.

What can I use the grant for?

You can use an **Invest4** grant for the following:

- to pay for equipment and machinery
- consultancy services

- new IT systems or IT system upgrades.
- to move all or part of your business online
- website improvements or launches
- Leadership & management development (short term courses)

Note: *This list is not exhaustive, if you are unsure please contact the Invest4 team*

Want can't it be used for?

The grant **cannot** be used for the following:

- staff salaries
- backdated expenses (e.g., to repay loans)
- to pay existing sub-contractors
- building or construction costs
- premises rental
- other general running costs, e.g., purchasing materials or stock
- paying VAT

Note: *This list is not exhaustive, if you are unsure please contact the Invest4 team at invest4@brighton-hove.gov.uk*

Are there any businesses that are ineligible for a grant?

Yes. This grant is for trading businesses only, therefore charities and not-for-profits that do not have a trading arm cannot apply.

Other business types ineligible for the fund include:

- Fishery and Aquaculture
- Processing and marketing of agricultural products
- Coal, steel, and shipbuilding
- Synthetic fibres
- School age education

- Banking and insurance
- Primary production
- Retail shops
- A business or parent business with more than 250 employees
- A business or parent business with more than £30m on their balance sheet
- A business or parent business with a turnover of more than £40m

What funds can I use for the 70% match funding that is required for the grant?

You can use any of the following as match funding:

- Retained profits
- Government Bounce Back loan
- Covid related government grants
- Bank loan
- Director savings
- Innovate UK grant
- Any other non-EU government grant

You will be asked to state where the match funds are coming from and provide evidence.

Note: *This list is not exhaustive, if you are unsure please contact the Invest4 team*

In the application form what do you mean by needing to look at 'Other realistic options'?

The **Invest4** grant fund is part of the European Regional Development Fund. As this is public funding it is seen as a fund of 'last resort'. You will be asked to explain what alternative funding sources you have investigated and why they were rejected in favour

of applying for the **Invest4** grant; for example, the bank repayment terms or equity requirements.

I have just started my business; can I apply for a grant?

Pre-start and start-up businesses (trading for less than a year) can apply. You cannot apply if you are not already trading.

However, the grant cannot cover general operating costs such as, premises rental, office equipment or materials and supplies. These items can be covered by applying for a start-up loan:

www.gov.uk/apply-start-up-loan

Can I apply for more than one grant?

No, you cannot apply for more than one grant

You can claim up to five separate items on a single quote within a grant of under £6,000

I have two businesses, one start-up and one established, can I apply for both?

Yes, but they must be sent as two separate application forms; please mention the link between the two in each application.

Can the grant be used for services that take place over several months, e.g., leadership and management coaching?

Yes, although most grants will be for one-off items, the grant fund can be used to pay for longer term services such as IT consultancy, but in Phase 2 we will be looking for projects which finish sooner rather than later. You can only claim the grant after the final payment has been made to the provider.

I have a live project for which I need the grant and I already have a supplier lined up; is that eligible?

No. Grants will only be awarded to qualifying businesses where they have obtained quotes for the product or service but have not yet engaged them for the work.

Expenses incurred before you have received a grant agreement signed by us cannot be claimed against the fund.

Do I need to get three quotes for each item that I wish to spend?

No. Three quotes are only required for any items for or over £25,000, or items to the value of £25,000 or over from a single supplier.

One quote per item is required for items of a lesser value. You will be asked to state each planned item of expenditure in the application form and, if your application is approved, the information will be used to match against the invoices that we receive from you with your claim.

For services and building works you also need to advertise these opportunities on your website.

What evidence do I have to provide to prove that I have spent the grant?

You will be asked to provide evidence for all of the eligible expenditure, in the form of bank statements and bank account records to show that the grant has left your account and that the outgoings match those that were listed in your grant application.

If you are using the grant to purchase equipment over £1,000 you will be also be asked to provide the product serial number and a picture of the item for our asset register.

The application form is asking me to submit supporting evidence; will my application be considered if I don't have the information requested?

The application form asks for information so that we can undertake *due diligence and ensure that public money is being used responsibly.

Your application will not be considered if the requested information is missing or incomplete.

If you are having problems uploading the information or need further clarification, please contact the **Invest4** team.

*Due diligence is an appraisal of a business to establish its assets, liabilities and assess its commercial potential; it will also assess eligibility for the grant fund

A business plan is recommended but not required for businesses that have been going for more than a year; how much weight does a business plan have in deciding whether a grant is approved?

A business plan helps the grant panel to understand more about your company, its aspirations and how the grant will contribute to the growth of your business. It provides context for the other supporting information such as the business accounts and can give the panel more information upon which to base their decision.

I am looking for a larger investment in my business than the Invest4 grant offers; can you help?

As the programme nears its end the maximum grant sum available through **Invest4** has been reduced to £6,000.

For information about other sources of funding please contact Coast to Capital Enterprise Hub <https://www.c2cbusiness.org.uk/>

What happens once I submit my application form?

Once we receive your application form, we will first check that you have provided all of the required supporting evidence and we will contact you if anything is missing or incomplete, (e.g., not answering the de minimis declaration), or if the application is not signed.

Completed applications will then be subject to internal due diligence tests. Applications that pass the due diligence review will then be referred to the grant panel for decision.

We will notify you of the outcome and send a grant agreement for you to sign and return, if successful.

When is the grant paid?

Once you have signed and returned your grant offer letter and we have confirmed receipt, you can make your purchase.

The grant is paid retrospectively once you have submitted evidence that the funds have left your account and supplied related invoices and information for the asset register (where applicable) we will confirm approval and refer your invoices for payment.

You will receive a single payment for the whole grant sum; it will not be paid in stages.

The payment terms will be explained to you and detailed in your grant agreement.

Can I get help with completing the application form and supporting information?

You can get up to 12 hours free business advice through WSX Enterprise and Get Set for Growth. They provide help in completing the application form, preparing a cashflow forecast and a business plan and can offer more general business advice if needed. WSX Enterprise and Get Set for Growth have already helped several businesses successfully access the grant. You can contact them on 0800 3077008 connect@wsxenterprise.co.uk for Wessex Enterprise and 0800 756 0811 and coast2capital@getsetforgrowth.com for Get Set for Growth and ask them for help with your **Invest4** application.

What is the deadline for applications?

Applications can be submitted at any time from 1st August 2022 to 3rd October 2022. As this is a mop up round, applications will be considered on a first come first served basis. There is a good chance the pot will be used up before October 2022

If you have any questions that are not covered by these FAQ's please contact the **Invest4** team.