

Invest4 Business Growth Grants

Application information and Guidelines

Please read these guidelines carefully as they will help you to complete the application form and increase your chances of getting a grant. Please use the help available from WSX Enterprise and Get Set for Growth as any Invest4 grant fund applications that are submitted without the correct supporting documentation may be immediately rejected upon receipt. Workshops are delivered by our two business finance expert partners and you can book your free place on their workshops via their Eventbrite Pages: [WSX Enterprise Eventbrite Page](#), [Get Set For Growth Eventbrite Page](#).

Both WSX Enterprise and Get Set For Growth also provide free, confidential 1-2-1 support sessions

Phase 2 of the Invest4 grant programme.

Key changes to guidelines.

Due to the success of the Invest4 grant programme and the great investments made by local firms in their growth, Invest4 has approximately £160,000 left to allocate. The guidelines, application form and grant funding agreements have been updated to reflect this.

- The maximum grant is now £6,000 per business.
- Grants will be a maximum of 30% of your growth project (lower intervention rates are acceptable)
- Applicants are to fund the additional 70% (match funding) of the growth project.
- Funding will be allocated on a first come first serve basis, based on the date and time of a high-quality full application received, with all supporting documents ready for review by the funding panel
- The latest date Brighton & Hove City Council can receive Phase 2 Invest4 applications is Monday 3rd October 9am.
- Projects are to be limited to one supplier only, but may contain a maximum of 5 items lines.
- Single items must be a minimum of £100 each
- Minimum grant value is £1,000. If your grant claim subsequently is less than this figure, you will not be reimbursed
- **ALL** Invest4 grant fund projects must be completed (with deliverables demonstrated) and grants claimed, with full correct claim paperwork by 9am, 3rd January 2023 at the latest. Any claims received after this date, or which do not have the correct paperwork may not be processed. Other associated outcomes, such as new jobs and new products can be demonstrated up to 31st March 2023
- Licensing, consulting and similar long-term services are no longer eligible
- If you are buying machinery or similar, it needs to be in situ by 31st December 2022 to demonstrate receipt of goods and to allow payment of the grant to be made.

1 Overview

The **Invest4** Business Growth Grants are funded by the European Regional Development Fund (ERDF) 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% necessary to obtain an **Invest4** grant and fund the full project in the first instance.

Example:

A business has a project to buy a new website at a cost of £12,000. The new website will create an increase in orders and, due to the increase the business turnover, profitability and maybe an additional new job will be created in the business.

The business can apply for a grant of up to 30% of the costs of the website. This is £3,600. The remaining £8,400 is called match funding and must be provided by the business through other eligible means ie bank loans, company profits etc.

2 Eligibility

Established businesses

This grant is open to trading businesses, (including not-for-profit organisations and charities with a trading arm) based in the Coast to Capital area, or with significant trading in the area, which covers Greater Brighton City Region, West Sussex and East Surrey Coast to Capital Local Enterprise area

This is a grant for businesses with less than 250 employees, less than £30m on their balance sheet and, less than £40m turnover.

The grant exists to support business resilience and growth. The growth and resilience measures must include one or more of the following measures:

- job creation
- increase in turnover, productivity or profitability
- introducing new products or services to the market or business.

New businesses

If your business has been trading for less than one year, you will need to demonstrate market need through a strong and realistic business plan, (a business plan template will be provided if you do not have one) and a cashflow forecast. We will not be giving grants to businesses that have not started trading

2.1 Excluded Business Sectors

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 (although we can fund their eCommerce, websites etc)
- 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

This list is not exhaustive, if you are unsure please contact the Business Hot House partner you are working with or the Invest4 team

2.2 What the Invest4 grants may be used for:

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

- to pay for equipment and machinery
- new IT systems or IT system upgrades.
- to move all or part of your business online
- Web site improvement or launches
- Leadership and Management development (short courses of around two weeks for example)

This list is not exhaustive, if you are unsure, please contact the Business Hot House partner you are working with or the Invest4 team.

2.3 What the Invest4 grant fund cannot be used for:

<ul style="list-style-type: none"> • Depreciation • Repayment of debts • Gifts and donations • Land purchases • Internal transfers • Wages • Stock and consumables • Digital advertising • General running costs of the business • Previously incurred expenses 	<ul style="list-style-type: none"> • Working capital • Asset purchase using asset finance • Planning permission • Legal expenses/fees • General business set up costs • VAT costs • Ongoing consultancy • Licensing • Subscriptions
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This list is not exhaustive, if you are unsure please contact the Business Hot House partner you are working with or the Invest4 team

3 Match funding the Invest4 Grant

The **Invest4** Business Growth Grants can contribute up to 30% toward your business investment. You will have to provide the other 70% of the total project cost which is known as match funding

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 in your

application.

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.

Note: The grant is paid in arrears on completion of the project once we have received evidence that the full costs of the items have been defrayed from the correct business account and the items in the project have been received.

4 The application forms

Please complete an Invest4 Grant application form, available at [on request from invest4@brighton-hove.gov.uk](mailto:invest4@brighton-hove.gov.uk) if you didn't receive it with the guidance.

4.1 Documents to upload in support of your application

The application form will list the documents to submit in support of your bid; please ensure that you submit the correct documentation indicated on the form.

Any Invest4 grant fund applications that are submitted without the correct supporting documentation may be immediately rejected upon receipt.

Along with the application form you will be asked to submit or provide one or more of the following pieces of information:

Document	Why we need it
Business plan	<p>A business plan can help the panel to understand what your business is aiming to achieve in the short medium and long term. It could provide additional information as to why the product or service you want to purchase is required, and how the grant will contribute to the future growth and resilience of the business</p> <p>If you do not have a business plan, and want to provide one, a two-page business plan template can be sent to you.</p> <p>Note: Business plans are mandatory for businesses that have been trading for less than 12 months.</p>
Cashflow forecast	<p>A minimum 12-month cashflow forecast, from the date of the project start, will show how the grant will be used and how the business is managing its cash. The CFF must include the Invest4 grant income, expenditure, costs and expected increases in turnover and profit. It must be deemed realistic.</p>

Certificate of incorporation (if applicable)	If your company is registered at Companies House, you will be asked to supply your companies house number in your application.
Letter of self-registration for self-employment (if applicable)	As a sole trader you need to be registered with HMRC for self-assessment and you will be given a reference number called a UTR. You will be asked to provide your self-assessment number in the application.
Full sets of accounts for the last two full trading years	<p>These may be audited accounts or management accounts relating to the business that you are seeking a grant for, i.e., the business name on the application form must be the same as the business name on the accounts that are submitted. Please ensure these are full set of accounts that show your turnover and profit</p> <p>If your business is less than two years old, we will accept management accounts for one full year.</p>
Current set of management accounts from end of last full year of accounts to date of application submission.	This is so the panel can assess your current financial position.
Quotes for the items or services that you wish to purchase	<p>You must provide at least one quote for the items you intend to purchase.</p> <p>Projects can only receive goods or services from one supplier and the maximum number of items that we will accept for grants is five. There is a minimum item value of £100.</p> <p>Each of these items need to be in the quote. Include copies of quotes on headed paper or equivalent, that clearly shows name, address and website of the supplier.</p> <p>For the clarity of the audit trail we advise not buying from Ebay, or using Paypal or similar, or personal credit cards for payment for goods</p> <p>VAT cannot be claimed against the Invest4 grant.</p> <p>All quotes must be in date at the time of submission of the Invest4 grant application forms. Quotes must be quotes and NOT invoices and clearly state that they are a quote</p> <p>Note: Grants cannot be given to contracts agreed before the date on the signed and dated grant fund agreement.</p>

NOTE: Grant fund agreements will only be made through a legal business structure such as a limited company or a sole trader. Grants will not be awarded to individuals or paid into personal bank accounts.

As the grant is financed from public funds the council is obliged to carry out due diligence checks that are deemed necessary to determine the financial probity of the business. This may include credit checks on line.

4.2 State Aid

State Aid conditions apply to the Invest4 Grant The maximum amount of state aid a business can receive in a rolling three basis is approximately £170,000.

State aid is deemed as state funded business support and state funded grants. For example, support and grants received from Innovate UK, Department for International Trade or through a business support programme such as LOCASE or RISE. Please note that not all Covid grant support (such a furlough) is deemed as state aid.

For full information on de minimis state aid please click here.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf

Any Invest4 grant fund applications that are submitted without the state aid section of the application form completed and signed may be immediately rejected upon receipt.

4.3 The process of approval

Once we receive your application form and supporting documents we will: -

- Review the application form for missing information – **any missing information may result in immediate rejection of the application**
- Check the legal status of your business
- Ensure that the business meets the eligibility criteria
- Establish why the grant is required
- Review the supporting documentation – **any missing supporting documentation may result in immediate rejection of the application**
- Conduct a financial review of the accounts and cashflow forecast
- Establish the source of the match funding
- Confirm that other realistic funding options including your existing bank have been explored

Once these checks have been undertaken your application, supporting documentation and the Due Diligence report will be referred to the Grant Panel for decision.

4.4 The grant fund approval panel

The Invest4 Grant Fund Phase 2 Panel comprises:

- Invest4 Grant Fund Team Member,
- Programme Manager,
- Senior Accountant,

This panel will meet every two weeks or more frequently depending on the number of applications, until the Invest4 fund is fully allocated.

Any questions or queries for clarification from the panel will be referred back to the applicant business.

4.5 Panel decisions

Approvals:

On reviewing your application, the panel may give an outright decision to approve. The approval will be confirmed by the Invest4 team and you will be sent a Grant agreement which you will need to sign and return before confirming any contracts or making any purchases.

Approvals subject to further information:

The panel may give approval subject to receiving additional information (which will be specified). In this case once the Invest4 team has received the requested information it will be sent on to the panel for consideration and sign off. Once approval is confirmed you will be sent a Grant agreement which you will need to sign and return before confirming any contracts or making any purchases.

Rejections with invitation to re-apply:

Please note that with the short window for applications and the quick turnaround in grants needed in Phase 2, this option is unlikely.

If the panel rejects your application, you may be offered the opportunity to resubmit your application at a later date. For example, the panel may suggest that you seek additional business support in developing your idea and completing the application. In this case, we will write to you to confirm the panel's decision and your application will be held on file. No further action will be taken unless you choose to re-submit an improved application, in which case your original application will be given to the panel as background when your new application is being considered.

Outright rejections:

If the panel rejects your application and does not invite you to re-submit at a later date, then no further action will be taken, and we will write to you stating the reasons why your application has been rejected

Appeals

If you are unhappy with the grant panel decision, please contact the **Invest4** Grant Fund Manager, Neil Clarke – Invest4@brighton-hove.gov.uk in the first instance to discuss your application. He will explain why you were not successful and how we can support you if you wish to re-submit.

If you want to go through the appeals process, please ask for the appeals process documents.

4.6 Getting Your Grant

Once the grant fund agreement is signed and returned by you, you will receive a 'successful applicant pack' consisting of information and guidance on keeping evidence and making a claim. **The most important things to remember are:**

- Funding can only be claimed for purchases made **after** the Grant Funding Agreement

has been signed and returned to you.

- Funding can only be paid on items included in your original application which will be detailed in your grant fund agreement
- Payment will only be made on items purchased from the Company Business Bank Account.
- Payment will not be made on items purchased from eBay or using PayPal (or similar) due to audit requirements.
- Your grant agreement will include the deadline for making the claim for your grant, which may be sooner than the latest date of 3 January 2023 at 9am.

Claims must be made within the time period on your claim form, or you risk your grant payment being voided. The minimum grant payment is £1,000

4.7 Payment

The grant is paid in arrears after you have paid for the items/services. The claim guidance will explain what evidence you will be required to provide to claim the **Invest4** grant, to the maximum percentage intervention in your grant fund agreement.

Supporting evidence will include financial records for purchases and payments and also details for new staff employed as a result of the project if this occurs.

Payment will only be made to Business Bank Accounts.

4.8 Monitoring and auditing

We will keep in contact with you following your grant award to provide advice and support in making a claim. This may include visits to your premises, online meetings or phone calls.

As this is public funding the project may be subject to audit and you may be contacted by the project team or a third-party organisation as part of the audit and asked to provide information about your business and the grant award.

Auditing may be carried out by the University of Chichester, the Department for Levelling up, Housing and Communities (or any government department that takes on the role of managing authority of the ERDF), a representative from the European Union or Brighton & Hove City Council.

Monitoring / surveys may also be carried out by third party contractors the Business Hothouse Invest4 programme to ascertain the effectiveness of the programme of support.

Note: The potential latest date of auditing will be December 2033. All paperwork relating to the Grant you receive must be retained until this date unless you are informed otherwise.

You will be notified by us if an audit is underway.

4.9 Returning a grant award (clawback)

A request to return a grant is very unlikely. The **Invest4** team will provide you with guidance on eligible expenditure and claims; this is to minimise the chances of the claim being found ineligible at a later date. Clawback of funds from businesses is very rare and is mainly linked to the fund

conditions not being complied with especially with larger grants which need to follow ERDF procurement procedures.

Applicants should note the guidance regarding open and fair procurement.

5 Open and Fair Procurement

All procurement made under any the European Regional Development funded programme must be carried out in a fair and open way. This is good financial practice.

It is the responsibility of the grant fund recipient to comply to these procurement requirements.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/917826/ESIF-GN-1-001 ESIF National Procurement Requirements v7.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/917826/ESIF-GN-1-001_ESIF_National_Procurement_Requirements_v7.pdf)

If you have any questions then please contact the Invest4 Grant Fund Manager, Neil Clarke - invest4@brighton-hove.gov.uk

In summary:

- For items of expenditure of up to £25,000 you can procure on one quote
- For services and building work over £25,000 you need to advertise the opportunity on your website for at least ten days
- For items of over £25,000, or when you are procuring more than one item from the same company for a total value over £25,000 follow the guidance in chapter 6 of the ESIF National procurement requirements.
- Include copies of the quote on headed paper (please ensure quotes for individual items have a minimum value of £100) or equivalent, showing the name and address and website of the supplier or a screen grab showing the same information.
- When sending in your Grant Application, the same item and value must be on the application form as the quote.
- For items over £25,000 please specify why your choice of the three is 'best value', by showing how it was scored against the criteria.
- All quotes should be in pounds sterling
Where expenses are for 'one of a kind' purchases, the Programme will still require comparable quotations to evidence best value. Where this is the case, we will accept quotations/estimates for similar products/expenses, alongside an explanation of choice.

Value of contract ⁴⁸	Minimum Procedure	Advertising Required
£0 - £24,999	Direct award	None
£25,000 - £181,302 (services) and £4,551,413 (works)	<p>The advert needs to incorporate or direct any interested party to the following information:</p> <ul style="list-style-type: none"> • Details of the opportunity • What is required from all interested parties • How successful candidate will be chosen • Deadline and details of how to apply <p>Justification will also be required to demonstrate that the contract award is in line with the advert</p>	Advertise the opportunity on the grant recipients/or other appropriate website for a minimum of 10 days.

£25,000 - £181,302 (supplies)	3 written quotes or prices sought from relevant suppliers against a clear specification Justification that a reasonable decision has been made on the basis of the quotes/prices	None
Over £181,302 (services and supplies) and £4,551,413 (works).	<p>The advert needs to incorporate or direct any interested party to the following information:</p> <ul style="list-style-type: none"> • Details of the opportunity • What is required from all interested parties • How successful candidate will be chosen • Deadline and details of how to apply <p>Adhere to the Guidance on Identifying, Managing and Monitoring Conflicts of Interest within ERDF and ESF, and submit a declaration to MHCLG or DWP;</p> <p>Impartially assess each bid against the same criteria and demonstrate this through use of a score/evaluation sheet; and</p> <p>Provide evidence to demonstrate that the winning bidder has been selected on merit – as a minimum this should include a rationale behind the decision to award</p>	Advertise the opportunity on the grant recipients/or other appropriate website for a minimum of 10 days.

6 The benefits of the Invest4 grant

The **Invest4** grant fund has already provided businesses with funds to pay for a range of items and services such as, a marketing campaign for new outdoor rooms/ offices; a new lathe to increase production, machinery for a brewery, offboard motor for a new boat to increase training capacity, and IT services to move products online.

If your project is approved, we may contact you to help promote both your business and the grant programme as a case study.

7 How to use DocuSign

We recommend you prepare all the information you need for your application before opening the link to DocuSign application form. You may be restricted to 3 logins.

Evidence needed prior to complete the application form

Your business details: Address, Company Number/UTR, date registration, SIC code, turnover, balance sheet, number of staff (FT & Part time with weekly hours)
Project details: What do you want to do? Explain how this project will develop your business. How are you going to do it (project plan with milestones)? Explain the expertise and resources in your company to carry out this project.
Your business: tell us more about your business, what it does, who your customers are, how you create value for them and how you intend to create growth.
Costs and Funding: total project cost, grant amount (maximum 30%), match funding (minimum 70%), Component description, Cost (without VAT), Explanation. Sources of Match Funding
Project Plan: Please state when you expect to start the project and when you expect to finish your expenditure
Explain how ERDF funding will assist you to deliver your project
Project risks: Risk, Likelihood, Impact, Mitigation
Outputs and Outcomes: expected full time job creation, Projected turnover, Projected net profit, Creation of new to firm and to market products and services, Increase in export trade
De Minimis aid state aid amount received over the last 3 years
Quotations for all costs you have included (All documents to be uploaded as 1 file)
Current year full management accounts (could be a report from your accounting software to show your current financial position) (All documents to be uploaded as 1 file)
Full set of accounts for the last full two years (if trading for 2 or more years) (All documents to be uploaded as 1 file)
Cash Flow Forecasts for the next 12 months. Figures should include the project expenses and associated grant income (template available). (All documents to be uploaded as 1 file)
Business plan – You must submit a business plan if you are a recent start up. Business plans may help support your application (basic template available if necessary). (All documents to be uploaded as 1 file)

Logging in: click on the link in the email we sent you, write your name and email address to access the application form.

Logging off: Menu > Finish later

DocuSign will send you a new link to the email address you use to access the application form which you can use to carry on filling in the application form. DocuSign will save what you added previously. We recommend you try to complete as much as you can on each time you access the online form as you may be restricted to 3 logins.