

PROGRAMME CRITERIA, GRANT APPLICATION GUIDANCE NOTES AND PROCESSES

PROGRAMME CRITERIA

A. BACKGROUND

The Business Growth Programme 2 (BGP2) is open to small to medium sized businesses fulfilling the criteria below which are based within, or locating to, the Greater Birmingham & Solihull or The Marches Local Enterprise Partnership (LEP) areas. The grant is part funded by the European Regional Development Fund (ERDF) and administered by Birmingham City Council (BCC).

Note: Funding is subject to availability.

B. CRITERIA

In order to apply for ERDF funding from the BGP2, your business **must** meet the following criteria:

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 EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million. If the business is owned by another company or combination of other companies, please refer to "[User Guide to the SME Definition](#)".

A minimum of 80% of your turnover must be generated by business-to-business activity, with business-to-consumer/retail business accounting for no more than 20% of turnover. (If your business is nearing the 20% B2C/Retail cap, then we may ask you to provide further evidence to substantiate this and we reserve the right to decline applications if we are dissatisfied with the evidence provided);

Your business activity must be eligible. Excluded activities include those of a political or religious persuasion, activities involving pornography or clairvoyance and any business activity that is illegal or deemed as unsuitable for public support by Birmingham City Council. For a full list of eligible and ineligible business activities, refer to the Eligible & Ineligible Business Activities list available at www.birmingham.gov.uk/bgp;

You must have been trading for 6 months or more (unless the business is a start-up based in the TMLEP area),

You must be profit-seeking;

The State Aid measures under which BGP2 operates are De Minimis and General Block Exemption Regulations (GBER). The most appropriate State Aid measure will be applied on a case-by-case basis, so as to maximise the level of grant funding awarded.

You can apply for either De Minimis or GBER, dependent upon how much State Aid funding you have received previously.

To apply for De Minimis, you must have received less than the Sterling equivalent of €200,000 State Aid assistance over a 3 year period (De Minimis State Aid for the current and previous 2 financial years). De Minimis State Aid intervention rates are up to 50% in more developed areas and up to 60% in transitional areas.

To apply for GBER, you will either be seeking funding in excess of the Sterling equivalent of €200,000 up to £1,000,000, or you will have maximised your De Minimis allowance and are applying for a smaller grant (minimum grant is £2,500 for a Start-Up and £10,000 for an existing SME). GBER State Aid intervention rates are between 10% - 50% as defined by the European Community (EC) Treaty is financial aid that has the following characteristics:

- It is granted by the State or through State resources;
- It favours certain undertakings or production of certain goods;
- It distorts or threatens to distort Competition;
- It affects trade between Member States of the EU.

To calculate your GBER allowance, refer to the BGP2 GBER Fact Sheet and Eligible Capital Grant Calculator.

Your business must pay, or be going to pay business rates if relocating/ starting up; to one of the local authorities within the LEP areas covered by this programme and those payments must not be in arrears. The local authorities within the LEP areas are:

Birmingham City Council, Bromsgrove District Council, Cannock Chase District Council, East Staffordshire Borough Council, Herefordshire Council, Lichfield District Council, Redditch Borough Council, Shropshire Council, Solihull Metropolitan Borough Council, Tamworth Borough Council, Telford & Wrekin Council and Wyre Forest District Council.

C. ASSISTANCE AVAILABLE

- The assistance from BGP2 is in the form of a grant contribution of between £2.5k - £10K for brand new start-ups or businesses trading less than 6 months looking to consolidate (TMLEP only)
- The assistance from BGP2 is in the form of a grant contribution of between £10k - £1m for existing businesses (more than 6 months trading) for innovative production processes, relocation and growth of SMEs: capital equipment, relocation & expansion, improvement of production processes and systems, new product development, marketing costs, Building Information Modelling (BIM) and development of new markets. (De minimis State Aid 50% to 60% intervention rate and GBER. State Aid up to 10%-50% intervention rate). To calculate your GBER allowance, refer to the BGP2 GBER Fact Sheet and Eligible Capital Grant Calculator.

A list of Eligible and Ineligible Project Costs that can be included as part of the grant is available at www.birmingham.gov.uk/downloads/20199/business_growth_programme. Local partners are also available to discuss your project and advise on project costs before you make an application.

- Eligible applicants must be able to financially complete their projects within 4 months* from the date of acceptance of the Funding Agreement including spend, defrayal and claiming the grant. (** For high value, more complex projects, project timescales are subject to negotiation.*)

Priority will be given to investment-ready projects that can be completed before this time.

- Eligible projects must lead to the growth of the business and the creation of at least 1 full-time equivalent job for every £10,000 of grant awarded appointed within 7 months from the date of acceptance of the Funding Agreement. Start-Up Businesses based in the TMLEP only seeking funding from £2.5K to £10K will need to create at least 1 equivalent full-time job.
- The grant has to be match funded by the applicant business. This is the difference between the grant you are seeking and the remaining cost of your project. The source of the match funding cannot be from other Public Funds. It also cannot be via Hire Purchase or similar financial products involving a financial arrangement whereby an item is paid for in instalments, as this does not provide full evidence of defrayed expenditure. Loans, overdrafts, savings or company funds are considered to be eligible cash match and these must be secured and in place prior to approval of a BGP2 grant.

D. DATA PROTECTION

- Birmingham City Council will retain this information to ensure compliance with EU Regulations. BCC will put the information you give on to a computer to assist with record keeping. The information you provide is confidential and subject to the requirements of General Data Protection Regulations (GDPR) and The Data Protection Act 2018. This personal data will be held and processed by BCC (local authority registered with the ICO, Regulation number Z4594350) in order to provide and share data amongst the organisations involved in Birmingham City Council's BGP2.

- ii) The personal details you provide may also be shared with third parties (involved in Birmingham City Council's BGP2) for the purposes of the provision of this support on the basis that they treat the information as confidential as well or as part of any statutory duties requiring such disclosure and to protect the public funds it collects and administers. Any data may be used to prevent fraud or the misuse of resources. For further information of our privacy notice, visit www.birmingham.gov.uk/privacy.

E. STATE AID ASSISTANCE

State Aid refers to financial support from a public or publicly funded body given to organisations which has the potential to distort competition and affect trade between member states of the European Union (EU).

State Aid is generally prohibited by EU rules. However, there are exceptions to this, and some financial aid is allowed under the 'de minimis' rules if the total amount of funding received by an organisation does not exceed a prescribed limit.

Further GBER State Aid Regulations guidance is available on the website:

<https://www.gov.uk/guidance/state-aid>

De minimis State Aid Regulations (under EC regulation number 1407/2013). This allows an individual applicant business/organisation to receive a maximum of €200,000 of funding (cash grant equivalent) over a 3 year period (the current and previous two financial years). 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 for the current and previous two financial years which can take various forms (grants, loans, subsidised contracts, etc). Aid given under an approved scheme does not have to be cumulated with de minimis aid, provided any such de minimis aid is not awarded towards the same eligible costs as those supported via that approved scheme.

Exclusions:

- De minimis aid cannot be given for export related activities (except attendance at trade fairs) or aid favouring domestic goods over imports.
- For undertakings active in the road freight transport sector, the de minimis ceiling is €100k.
- De minimis aid cannot be awarded for the acquisition of road freight transport vehicles.
- De minimis aid cannot be used to top up awards made under approved State aid schemes, resulting in a circumvention of the aid intensities set out in the rules attached to such schemes. In these cases it can only be awarded towards separate eligible costs.

To confirm that you are able to receive assistance from the BGP2, you must declare the full amount of aid, from any public source, and in any format, you have already received over the last 3 financial years. You must declare whether or not it was de minimis aid. All aid received whether de minimis aid or exempted aid must be declared. You must be explicit in your explanation of what the aid you received has been used for.

The following is not a comprehensive list of the possible forms of aid. However, it should give an indication of the most common forms of aid which you may have been given over the past three financial years. Potentially, any assistance from a public body might be an aid:

- Grants from public bodies
- Loans from public bodies at favourable rates
- Loan guarantees from public bodies
- Differential tax benefits
- Grants from an investment trust (including charities) which may themselves have received the funds from a public body
- Grants from a part publicly funded venture capital fund
- Publicly administered funds, even if the funds were originally not public, such as the national lottery
- Landfill tax
- Waiving or deferral of fees or interest normally due to a public body.

- Monopoly licences or guarantees of market share
- Advertising via a public channel such as a tourist board or state owned television
- Consultancy advice provided either free or at a reduced rate
- Training provided either free or at a reduced rate
- Aid for investment in environmental projects
- Provision of a free or reduced rate feasibility study for research and development or other assistance with research and development
- Purchase of public land or property at a less than market rate
- Benefiting from the provision of infrastructure where your business was pre-identified as a beneficiary.

These types of aid may have been provided under de minimis (as de minimis aid) or under another State Aid regulation. If you are in any doubt whether aid received was de minimis aid or about its value, contact your local partner.

Any de minimis aid awarded to you under the BGP2 will have to be declared if you apply, or have applied, for any other public funding. Therefore, if successful, the offer letter must be retained and shown to any other public body to which you apply for funding for the three years following the offer.

False declarations will lead to the recovery of the value of the assistance provided plus interest.

Note that where a business is part of a group, the €200,000 limit applies to the group as a whole for public sector support within the United Kingdom.

F. COMPLETING THE APPLICATION FORM

- i) You should contact the BGP2 hotline number 0121 464 6456 or your local Growth Hub to discuss your eligibility for the BGP2. The Growth Hub will give you the contact details for your local partner. If eligible, the BGP2 grant application form can be downloaded from the BCC website.
- ii) The application form must be completed using Microsoft Word and is best compatible with Microsoft Office 2007 onwards using a Microsoft Windows Operating system. Note when using an Apple Mac you may experience difficulty completing radio button/dropdown menu questions. In this case leave these blank on the word version and mark clearly by hand on the signed scanned application. If you need assistance with this, contact your local partner. This assistance is free and it is therefore not necessary to incur costs from consultants/business advisers. Handwritten applications will not be accepted and will be returned.
- iii) The use of consultants or third parties to complete the application form is an **ineligible** cost. Applicants are encouraged to use partner organisations and their Growth Hubs for any additional support at no cost.
- iv) However, if you choose to use a consultant or third parties, you must provide their details including: name, contact details, payment terms and role relating to this project.
- v) All light grey shaded fields must be completed. Incomplete forms will be rejected. Illustrations and graphics cannot be included in the Application Form.
- vi) Some of the questions have answers which can be selected from drop down boxes indicated by a black arrow in the corner of the box. For these questions, click on the arrow and select your answer from the list provided. If your answer is not listed, select 'Other' and type in your answer.
- vii) Once the application form is completed, it must be saved as word format .doc or .docx.
- viii) The application form must be signed by a person legally responsible for the business identified as the 'Applicant' in Section 1 of the application form.
- ix) Your signed application and all supporting documentation requested in Section 17 Checklist (listed below) should be submitted in electronic format only to bgp@birmingham.gov.uk.
- x) When submitting your application, only include documentation which has been requested in Section 17 of the application form. Documentation submitted which has not been requested will not be considered as part of your application.

Checklist

1. Microsoft word version (unsigned) and scanned signed application form
2. OJEU SME declaration form
3. For existing businesses last two years full accounts and where the applicant is part of a group, consolidated group accounts (most recent years audited if grant request is over £100k and Micro/Abbreviated accounts are not acceptable)
4. Management accounts up to present day (only if most recent account are more than 6 months old or a newly trading Start-Up business)
5. Financial projections on a month by month basis including profit and loss, cash flows and balance sheets for the next 12 months (if request is more than £30K for the next 24 months period).
6. A robust business plan where the business has traded for less than 12 months or is a new start-up based in TMLEP and evidence business is registered
7. Evidence of match funding
8. A minimum of 3 written quotations are secured for each item* above £1,000 listed in Section 9 provided with your application along with the evidence relevant process in BGP2 Procurement guidance notes has been followed. *one item or the sum of many items from one supplier
9. Evidence of existing staff numbers (printout of payroll)

10. Copy of a current, up to date business bank statement for the applicant business showing bank name, business name and address, account name, account number, sort code.

11. If you are not operating on a 100% business-to-business basis, provide either an email/letter from the MD **OR** a letter from your Accountants confirming the % of turnover which is business-to-business vs. business-to-consumer/retail. (Minimum % of B2B business activity permissible is 80%, with the maximum of B2C/retail activity being 20%).

GRANT APPLICATION FORM GUIDANCE NOTES

Note the following guidance when completing the application form:

The application form is macro-enabled. All light grey shaded fields must be completed. Incomplete forms will be rejected. Once the application form is completed, it must be saved as word format: .doc or .docx. Illustrations and graphics cannot be included in the Application Form.

1. Business Details	
Field	Guidance
Business name	Enter the full registered name for the Applicant and the company number if applicable (as provided by Companies House).
SIC Code	<p>The United Kingdom Standard Industrial Classification of Economic Activities (SIC) is used to classify businesses, companies and other standard units by the type of economic activity in which they are engaged. SIC codes are used by Companies House and this information must be provided by all companies, whether active or dormant, when they file their first annual return after company formation.</p> <p>If you do not know your business's SIC code, it will be listed on your entry on the Companies House website.</p>
VAT Number	VAT is not claimable on grants and all item costs should be entered excluding VAT
Applicant contact details	Enter the full name, position (must be Owner, Managing Director/ Chief Executive), postcode, e-mail address and telephone number of the main point of contact. There will only be direct communication between BGP2 PMT and the named applicant
Number of full time staff Employed Number of part time staff Employed	<p>Full time staff are those that work for the applicant company for 36 hours a week or more and meet the criterion below for direct employees, any working below this will be considered as Part time on the BGP2.</p> <p>Only include direct employees, excluding any self-employed, sub-contracted, agency staff, casual staff, apprentices, graduate placements, or any zero hour contracted staff.</p>
New jobs to be created	<p>Enter the number of jobs that will be created using the guidance below to calculate.</p> <p>At least 1 equivalent full-time job must be created for every £10,000 of grant support received from BGP2.</p> <p>For a Start-Up Business based in the TMLEP only seeking funding from £2,500 to £10,000 will need to create at least 1 equivalent full-time job.</p> <p>The project must result in net new jobs which are calculated by comparing existing staff levels at the start of the project with those at the end of the project.</p> <p>For the purposes of job targets, the definition of a full time job is one of 36 hours or more a week.</p> <p>The jobs created will be expected to be sustained for a minimum of 1 year for de minimis request and 3 years for GBER requests.</p>
Match Funding	<p>The grant must be match funded by the applicant.</p> <p>The source of the match funding cannot be from other Public Funds, Hire Purchase or similar financial products involving a financial arrangement whereby an item is paid for in instalments, as this does not provide full evidence of defrayed expenditure. Loans, overdrafts, savings or company funds are considered to be eligible cash match and these must be secured and in place prior to approval of a BGP2 grant.</p> <p>We may need evidence of more than just the portion of project costs you will cover. How are the costs ringfenced for the spend? For example, if the</p>

	spend is via current balance of the bank account, please provide workings that evidence of how the total project costs to be defrayed prior to any grant claims being paid. This must take account of payments in and out of the account.
Total project cost	This field will auto update from the values inputted in section 9. Project Costs
Grant request	<p>Enter the amount of aid requested using the guidance below to calculate.</p> <p>At least 1 full-time equivalent job for every £10,000 of grant awarded appointed within 7 months from the date of acceptance of the Funding Agreement. Start-Up Businesses based in the TMLEP only seeking funding from £2.5K to £10K will need to create at least 1 equivalent full-time job. The intervention rates below will also need to be applied.</p> <p>If de minimis State Aid 50% to 60% intervention rate area calculated using the location where project activity will be undertaken, if unsure see guidance on page 11.</p> <p>If GBER State Aid request up to 10%-50% intervention rate to calculate the amount you can be considered refer to the BGP2 GBER Fact sheet and Eligible Grant Calculator.</p> <p>Note if the request is GBER the intervention rate for the Capital Expenditure and Relocation & Expansion elements is limited to 10%-30%.</p>
Project start date Project end date	<p>The start date cannot be before the submission and a decision is made, this can take up to 6 weeks therefore the start date should be a minimum of 4 weeks after the submission.</p> <p>Note: Approved businesses must: financially complete their projects within 4 months* from the date of acceptance of the Funding Agreement including spend, defrayal and claiming the grant. Any expenditure or job appointments made before an approval decision and a funding pack has been accepted and signed will be ineligible to be claimed as part of the BGP2 programme. (* For high value, more complex projects, project timescales are subject to negotiation.)</p>

2. Eligibility Criteria

- The OJEU Declaration form must be completed by all applicants including companies within the group. The form can be found from page 41 of the "User Guide to the SME Definition" available at www.birmingham.gov.uk/downloads/20199/business_growth_programme.
- The OJEU form must be printed, completed, signed, scanned and returned with the application form.
- State the most recent annual turnover and balance sheet figure

3. Business Background

Question	Guidance
i) Provide a brief history of the business since it started	<p>Provide brief history of your company including:</p> <ul style="list-style-type: none"> • Date Established • Ownership • Location • Business Activity • Current number of employees • Current turnover and profit.
ii) What type of work does the business undertake including details of any specialist or niche product/service or any own brand/designs? (If Start-Up state what the business proposes to undertake)	Product and services supplied or if Start-Up business proposing to supply.
iii) Provide details of your current markets (if Start-Up the target	Current or if Start-Up Target market including which sectors, named customers if any etc.

markets).	
iv) Give the details of 5 main existing customers (if Start-Up target customers).	List 5 existing or target customers
v) How do you currently market your business? (If Start-Up how do you propose to market the business).	Current marketing tools used or planned to be used, if Start-Up.

4. Project Proposal	
Question	Guidance
Describe the proposed project. Provide detail of the proposed project by answering all of the following:	
i) What will the grant assistance be used for?	For instance: capital expenditure (plant, machinery, ICT equipment / infrastructure), expansion / relocation (partitions, desks, electrical installation), new product development, market development (social media campaigns, brochures, etc) and Building Information Modeling (BIM)
ii) Why do you need to undertake the project?	For instance: to expand, grow the business, to deliver new contracts, etc
iii) What market research has been undertaken to demonstrate the need for the project?	For Instance: Any internal or external information that supports the project.
iv) What new market and business opportunities will the project generate?	For Instance: diversification of markets, new markets, new services, new products, etc
v) What target market/sectors is the project aimed at and how is it intended to reach the target audience?	For Instance: new sectors this project will attract, new ecommerce facilities etc.
vi) What impact will this project have on the growth of your business?	For Instance: increased turnover, profit, new products and market opportunities, potential new contracts and employment growth, etc.
vii) Why do you need grant funding to deliver this project?	For Instance: will speed up growth, not able to fully finance project on internal funds, etc.
<p>Note: Approved businesses must: financially complete their projects within 4 months* from the date of acceptance of the Funding Agreement including spend, defrayal and claiming the grant. Create new jobs within 7 months from the date of acceptance of the Funding Agreement.</p> <p>Priority will be given to investment-ready projects that can be completed before this time. * For high value, more complex projects, project timescales are subject to negotiation.</p>	

5. Business Relocation/Expansion/Start-Up Premises	
Complete this section ONLY if your project involves relocating to new, or expanding into additional or Start-Up premises.	
Question	Guidance
i) Does your project involve: Start-Up premises? Relocating to new premises? Expanding into additional premises?	Select the relevant option from the list.
ii) Premises details	<p>State details of current premises, Full address, site area (sq. m/ft.), Lease details (if applicable) and rates payable.</p> <p>State details of New/additional premises, Full address, site area (sq. m/ft.), Lease details (if applicable) and rates payable.</p> <p>Provide a copy of the new lease agreement when signed once the relocation to new/additional premises has been completed.</p> <p>Note: New Lease agreements need to be for a minimum of three years.</p>

5. Business Relocation/Expansion/Start-Up Premises	
Complete this section ONLY if your project involves relocating to new, or expanding into additional or Start-Up premises.	
Question	Guidance
iii) What date do you anticipate moving into the new premises?	State the date move will be completed by. Note: Approved businesses must financially complete their projects within 4 months* from the date of acceptance of the Funding Agreement including spend, defrayal and claiming the grant. (<i>* For high value, more complex projects, project timescales are subject to negotiation.</i>)

6. Project Outcomes	
<ul style="list-style-type: none"> - At least 1 equivalent full-time job must be created for every £10,000 of grant support received from BGP2. - For a Start-Up Business based in the TMLEP only seeking funding from £2,500 to £10,000 will need to create at least 1 equivalent full-time job. - The project <u>must</u> result in net new jobs which are calculated by comparing existing staff levels at the start of the project with those at the end of the project. - For the purposes of job targets, the definition of a full time job is one of 36 hours or more a week. - The jobs created will be expected to be sustained for a minimum of 1 year for de minimis request and 3 years for GBER requests. - A payroll printout or HR records should be submitted with the application form to evidence the number of direct* employees in your business before your project is undertaken. Once the BGP2 project has been completed, you will be asked for Contracts of Employment for new employees and an updated payroll printout to evidence the increase in net new jobs. * direct employees exclude any self-employed, sub-contracted, agency staff, apprentices, graduate placements, or any zero hour contracted staff. - Any new jobs created as a result of the project, should not include any of the job categories listed above, as they will be ineligible. 	
<p>How many new full time equivalent jobs (lasting 1 year or more for de minimis request and 3 years for GBER requests , minimum of 36 hours a week) that will start after the date of the acceptance of the funding offer letter?</p> <p>Approved businesses must create new jobs within 7 months from the date of acceptance of the Funding Agreement. Priority will be given to projects that can create jobs before this time.</p>	<p>Provide details of :</p> <ul style="list-style-type: none"> • Number of new jobs (full-time equivalent) to be created lasting for a minimum of 1 year for de minimis request and 3 years for GBER requests • When the jobs will be created • Location of new jobs • Job titles • Annual salary • Skill levels <p>Note: Failure to achieve the forecast job outputs may result in clawback of grant already paid.</p>

7. Project Management	
Question	Guidance
i) Identify all known risks (low/medium/high) and specify the mitigating actions you will take to address each of these risks and how will they be managed? Including details of what the consequences to your business would be if your bank balance was negatively affected by 10-15%. What is the likelihood of this happening and what mitigations are in place to reduce this possibility?	<p>You should focus on the arrangements for managing and mitigating risk as follows:</p> <ul style="list-style-type: none"> • Identify the key risks and uncertainties of the project. (For instance: delivery date of new machinery, planning permission, purchase of property, budgetary issues, change of cashflow circumstances and finance). • Detailed risk analysis for the project content and approach, including the technical detail. • Commercial, managerial and environmental risks as well as other uncertainties associated with the project. • Key risks must be rated as High/Medium/Low (H/M/L)

7. Project Management	
Question	Guidance
	<p>State how the management team would mitigate against these key risks.</p> <p>You should address all significant and relevant risks and their mitigation;</p> <ul style="list-style-type: none"> Identify key project management tools and mechanisms that will be implemented to provide confidence that sufficient control will be in place to minimise operational risk and, therefore, promote successful project delivery. Identify the person responsible for managing the risk. Provide a copy of any risk register or risk management plan if available.
<p>ii) How will the project be managed to ensure successful delivery?</p> <p>iii) Who within your business will be responsible for the management and delivery of the project and what is their position in the business?</p>	<p>Provide evidence:</p> <ul style="list-style-type: none"> Experience of the management team to successfully deliver the proposed project (for instance: track record of delivering similar projects) Management roles and responsibilities (for instance: staffing structure, line management and roles of key personnel) Appropriate skills to deliver the project (for instance: professional and technical qualifications). Name and position of Lead.

8. Funding and Added Value	
Question	Guidance
What are the key milestones for project activity?	State the key milestones for project activity including the start date, end date, financial completion, lead time for delivery and job creation dates.

9. Project Costs	
Question	Guidance
Provide a description for each element of expenditure	<p>Provide evidence:</p> <ul style="list-style-type: none"> List each project expenditure item and your preferred quotes business name and give a brief reason for your selection in each case. Breakdown of spend per category: <ul style="list-style-type: none"> Purchase of capital equipment Relocation/Expansion Start-Up Cost New Product Development Market development Building Information Modelling (BIM) The supporting proposals, tender documentation or three quotes for each item* above £1,000 relating to expenditure as listed in the project costs as explained in the BGP2 procurement guidance document. These files need to be named in accordance to the different expenditure listed in the table under the Expenditure fields. This will assist in determining if the procurement requirements have been met. <p>*one item or the sum of many items from one supplier</p> <ul style="list-style-type: none"> If the project has more expenditure items than the rows in the tables below, consolidate items on to one row.

I confirm the project activity is located in a:

Select the relevant location from the list below:

GBER 10%-50% – refer to BGP2 GBER Fact sheet and Eligible Grant Calculator.

LEP Area	Intervention Rate
Greater Birmingham & Solihull	More Developed - Maximum 50% Transitional - Maximum 60%
The Marches	More Developed - Maximum 50% Transitional - Maximum 60%

- ERDF grant intervention rates will vary to a maximum of 50 or 60% depending on where your business is located, as follows:
- To confirm which LEP area the business falls within, contact your growth hub or refer to:
 - [Greater Birmingham and Solihull LEP](#)
 - [The Marches LEP](#)

Local Authority	Category of Region – Intervention Rate
Birmingham City Council	More Developed - Maximum 50%
Bromsgrove District Council	More Developed - Maximum 50%
Cannock Chase District Council	Transitional - Maximum 60%
East Staffordshire Borough Council	Transitional - Maximum 60%
Lichfield District Council	Transitional - Maximum 60%
Redditch Borough Council	More Developed - Maximum 50%
Solihull Metropolitan Borough Council	More Developed - Maximum 50%
Tamworth Borough Council	Transitional - Maximum 60%
Wyre Forest District Council	More Developed - Maximum 50%
Herefordshire Council	More Developed - Maximum 50%
Shropshire Council	Transitional - Maximum 60%
Telford and Wrekin Council	Transitional - Maximum 60%

How much private sector match funding will the project attract? (i.e. owner's investment, company funds, bank loan, other funding).

Confirm the source of match funding. The source of the match funding cannot be from other Public Funds, Hire Purchase and similar products that involve payment by instalment.

Provide evidence of confirmation of the level of private sector match funding to deliver the proposed project:

- Internal company resources
- Directors loans
- Bank loans and overdraft
- Other funding including (equity and non-bank finance).

10. Existing Financial Summary	
Question	Guidance
i) Provide full details of any existing bank loans or overdraft facilities including current balance. (If you do not have any bank loans or overdraft facilities, state none.)	Provide confirmation: <ul style="list-style-type: none"> • Declare existing bank loans or overdraft facilities including current balance. • If you do not have any bank loans or overdraft facilities, state none.

11. Other Funding From Public Sector Bodies	
Question	Guidance
Detail the amount of aid received from public sources in this financial year and the two previous financial years (if a group, this needs to include all funding across all business within the group).	Provide confirmation: <ul style="list-style-type: none"> • Declare the amount of public sector funding the amount of aid received from public sources and the number of job created in this financial year and the two previous financial years. • If no public sector funding has been received, state N/A in the table.

12. Declaration
<ul style="list-style-type: none"> • Declaration must be signed by the Owner or Managing Director/ Chief Executive.

13. General Data Protection Regulations (GDPR) Overview
As stated in the Application Form.

14. Partner Assistance
<ul style="list-style-type: none"> • Select which partner has assisted you with this application from the list.

15. Marketing
<ul style="list-style-type: none"> • Select where you heard about the BGP2 from the list in the application.

16. Equalities Monitoring
Complete the table (age, gender, disability, ethnic origin, religion and sexual orientation) for the owner director (referred to as the 'Applicant') and all the employees in the business.

17. Checklist	
Requirements	Guidance
Microsoft word version (unsigned) and scanned signed application form	Submit completed unsigned Application Form in Microsoft word format (.doc or .docx file) Submit signed scanned Application Form.
OJEU SME declaration form	Submit the completed OJEU form The OJEU Declaration form must be completed by all applicants including companies within the group. The form can be found from page 41 of the "User Guide to the SME Definition" available at: www.birmingham.gov.uk/downloads/20199/business_growth_programme . State the most recent annual turnover, balance sheet figure and period (which year the figures relate to)
For existing businesses last two years full accounts and where the applicant is part of a group, consolidated group accounts.	Grant requests of £100k and over must provide audited for the most recent full annual accounts. Also, where the

17. Checklist	
Requirements	Guidance
	<p>applicant is part of a group must provide consolidated group accounts.</p> <p>Grant requests below £100k will still be required to submit last 2 years annual accounts which do not need to be audited.</p>
Management Accounts up to present day.	<p>For Existing businesses only if most recent account are more than 6 months old:</p> <p>Up to date Management Accounts starting from the date of the last annual accounts.</p> <p>A Start-Up business trading for less than 6 months based in TMLEP:</p> <p>Up to date Management Accounts starting from the date trading commenced.</p> <p>Management Accounts are not required for a brand new Start-Up business.</p>
Financial projections on a month by month basis including profit and loss, cash flows and balance sheets.	<p>For grant requests for up to £30K Financial projections including profit and loss, cash flows and balance sheets for 12 months starting from the end of the period of most recent accounts provided.</p> <p>For grant requests for more than £30K: Financial projections including profit and loss, cash flows and balance sheets for 24 months starting from the end of the period of most recent accounts provided.</p>
A robust business plan and evidence business is registered	<p>Only where the business has traded for less than 12 months or is a new start-up based in TMLEP:</p> <p>A formal Business Plan: As a minimum, this should include an executive summary, owner's background, products/services, market analysis/ research and strategy, competitor/SWOT analysis, pricing strategy and Profit & Loss accounts/financial/cash flow forecasts for 12 months.</p> <p>Evidence business is registered: eg if a limited company, Companies House registration, for a Partnership, copy of a Partnership Agreement, or for a sole trader, copy of HMRC self-employed registration is required</p>
Evidence of match funding.	<p>Confirmation of match funding to deliver the project:</p> <p>Internal resource (eg bank statements, existing loan and overdraft facility).</p> <p>External finance (eg new loans, overdraft facility, equity investment, evidence of funds from directors or shareholders).</p> <p>Funding from one company to another is only allowable within a group structure (as defined by the Companies Act).</p> <p>Hire Purchase or similar financial products involving a financial arrangement whereby the purchase of equipment</p>

17. Checklist	
Requirements	Guidance
	<p>is paid in instalments, which does not provide evidence of defrayed expenditure for the full amount) are ineligible. Loans, overdrafts, savings or company funds are considered to be eligible cash match and these must be secured and in place prior to approval of a BGP2 grant.</p> <p>We may need evidence of more than just the portion of project costs you will cover. How are the costs ringfenced for the spend? For example, if the spend is via current balance of the bank account, please provide workings that evidence of how the total project costs to be defrayed prior to any grant claims being paid. This must take account of payments in and out of the account.</p>
<p>A minimum of 3 written quotations are secured for each item* above £1,000 listed in Section 9 provided with your application along with the evidence relevant process in BGP2 Procurement guidance notes has been followed. *one item or the sum of many items from one supplier</p>	<p>We need the evidence relevant process has been followed. Different thresholds of project costs have varying requirements. For Full details, refer to the BGP2 Procurement guidance notes.</p> <p>A minimum of 3 written quotations are secured for each item* above £1,000.</p> <p>If under £1,000 the quote for the chosen supplier.</p> <p>*one item or the sum of many items from one supplier</p>
<p>Evidence of existing staff numbers.</p>	<p>Printout of payroll (this is the preferred method) or HR records.</p> <p>The record needs to evidence the figures mention in Section 1, Full time staff are those that work for the applicant company for 36 hours a week or more and meet the criterion below for direct employees, any working below this will be considered as Part time on the BGP2. This document should also include the applicant company details, employee names, FT/PT breakdown (hours worked) and salary details. Some of these details may require annotating a standard system printout, in this case please sign and certify the document.</p> <p>Only include direct employees, excluding any self-employed, sub-contracted, agency staff, casual staff, apprentices, graduate placements, or any zero hour contracted staff.</p>
<p>Current, up to date business bank statement.</p>	<p>A Full current bank statement from the last 3 months showing bank name, business name and address, account name, account number and sort code.</p>
<p>Not operating on a 100% business-to-business basis.</p>	<p>Provide either an email/letter from the MD OR a letter from your Accountants confirming the % of turnover which is business-to-business vs. business-to-consumer/retail. (Minimum % of B2B business activity permissible is 80%, with the maximum of B2C/retail activity being 20%).</p>

Submission of your Application

When your application form has been completed, before submitting it to BCC, ensure that you have answered all questions fully and have completed all boxes. Print it out, sign it and scan it so that the signed version can be e-mailed along with all documentation requested in Section 17 (Check list).

Submit your signed application and all supporting documentation requested in Section 17 to Birmingham City Council in electronic format only to bgp@birmingham.gov.uk.

Incomplete applications will not be considered and will be returned.

PROCESSES

F. APPLICATION PROCESS

- i) Once your application has been received by BCC, you will receive an e-mail notifying you of its receipt. It will then be checked to ensure that all documentation required has been submitted with the application form.

If at this stage it is felt that additional information or documents are missing or need to be resubmitted, you will be contacted.

- ii) After which a financial appraisal and project assessment will be undertaken. When both assessments have been passed, the application will be allocated to a Project Officer (PO). You may be contacted at this stage if anything needs clarifying.
- iii) Following the assessments the project will be considered at an Investment Panel/Board meeting, for a decision.
- iv) Approval is not guaranteed and the Investment Panel/Board will make one of three decisions:
1. Application recommended for approval.
 2. Application deferred. In this case, you will be contacted for additional information before the decision can be finalised.
 3. Application declined. In this case, you will receive a letter outlining the reasons why your application was declined.

Note an application can be declined or withdrawn at any point in the process, if sufficient grounds are identified.

G. APPROVED APPLICATIONS

- i) When your application has been approved, a Funding Agreement stating the amount of grant offered and the terms and conditions will be sent to you.

Included with the SME Funding Agreement will be the following:

- New Vendor Form
- New Vendor request form Guidance Notes.

The New Vendor Form should be completed and returned to BCC with the original signed Funding Agreement. You will receive an e-mail from BCC notifying you of its receipt.

- ii) Payments will be made against project expenditure defrayed **after** the date the Funding Agreement is signed (Annex 1 of the agreement). Do not commence your project until you have signed and returned the agreement. Note that you have 10 working days from the date of the agreement to complete and return it to BCC.
- iii) Your allocated PO will then arrange a benchmark visit with you to discuss the following programme documentation:
- SME Funding Agreement
 - SME claim summary form
 - Asset Register (if applicable)
 - Jobs Created Form
 - Customer satisfaction Survey

Your PO will also take photographs of the front of your building and the reception area, and where applicable, the location for new equipment, the area of the premises to be expanded into or the new premises to be relocated into.

The SME guide to making grant claim will be sent prior to the benchmark visit as it is a longer document than those listed above, about which you may have questions.

H. **MARKETING**

- i) If your project includes funding to produce marketing material, then you **MUST** acknowledge the source of the funding within any items you produce and follow the ESIF Branding and Publicity Requirements. The Marketing Compliance Checklist gives an indication of what you need to address to make your marketing collateral ERDF compliant, but this is an indicative guide only and it is recommended that to ensure full compliance, you read the ESIF requirements which provide full guidance on logo size, colour, positioning, clearance zone, etc.

www.birmingham.gov.uk/downloads/20199/business_growth_programme

[ESIF Branding and Publicity Requirements - Gov.uk](#)

Your BCC PO will provide the logo in either .jpg, .tif or .eps format.

- ii) If it is found that a business has not adhered to the Requirements, grant funding may be withdrawn or, where grant funding has already been paid, it may be reclaimed. Your PO will supply you with the relevant logos you need to display.
- iii) For press releases, advertisements and articles, BCC needs to approve the content prior to issuing. Copies of these items should be sent to the e-mail address listed in the Marketing Compliance Checklist. Sample press release templates can also be provided.

I. **GRANT PAYMENTS**

- i) Approved businesses will have to financially complete their projects within 4 months* from the date of acceptance of the Funding Agreement including spend, defrayal and claiming the grant. Create new jobs within 7 months from the date of acceptance of the Funding Agreement. (** For high value, more complex projects, project timescales are subject to negotiation.*) Priority will be given to investment-ready projects that can be completed before this time.
- ii) All expenditure undertaken as part of the financial assistance grant project **MUST** be paid for by cheque or bank transfer so that a clear evidence trail can be demonstrated. Any payments made in cash will not be reimbursed against.
- iii) BCC will only reimburse against invoices for eligible expenditure dated **after the date when the Funding Agreement was accepted.**
- iv) Grant payments are issued as a **reimbursement of eligible expenditure** (i.e. paid in arrears) incurred by the business and will be paid on production of relevant evidence, i.e. copies of invoices for approved eligible costs and bank statements to evidence the payments. All documents required to make a claim should be sent by e-mail to your PO.
- v) All documents listed above submitted as part of a grant claim should clearly state 'Certified as a true copy of the original' and be signed and dated. Any documents submitted without this will be returned and reimbursement will be delayed.
- vi) Grants can be claimed either at the completion of your project or by instalments of at least £5,000.
- vii) Grant claims should not include VAT.

- viii) Grant payments will be reimbursed at the percentage rate listed on page 1 of your Funding Agreement for eligible expenditure submitted until the approved grant amount has been reached. (Refer to Section 6 Project costs above, ii) Business area location and grant intervention rates.)
- ix) Grant payments will be made directly to your business's bank account using details supplied on the new vendor form. Grant payments will not be made to third parties.

J. MONITORING

- i) A condition of this grant is that the assisted businesses must create new full time equivalent jobs (lasting 1 year or more for de minimis request and 3 years for GBER requests, minimum of 36 hours a week). For every £10,000 of grant awarded or £2,500 to £10,000 for a Start-Up Business that will start after the date of the acceptance of the funding agreement. The new jobs will need to be created within 7 months from the date of acceptance of the Funding Agreement at the very latest.
- ii) Businesses will be sent a 'Jobs created' form for completion. The forms should be e-mailed to your PO along with the new employee's contracts and a copy of the HR records or payroll printout.
- iii) Failure to complete this form or create the required number of jobs may result in grant monies paid being reclaimed by Birmingham City Council.
- iv) When you have submitted your last claim, where applicable, your PO will arrange a verification visit to take photographs of the new equipment or area which has been expanded into, where applicable, and discuss the 'Customer Satisfaction Survey'. The Customer Satisfaction Survey also provides details of the jobs created and other impacts that the grant has had on the business in terms of increase in turnover, increase in customers and development of new products/services.

You will also be given an SME publicity poster stating how the grant was used which should be displayed in the reception area of your business for 12 months.

K. FURTHER INFORMATION

- i) It may take up to 6 weeks from a complete submission of your application to BCC before you receive a decision.
- ii) Applications will be assessed on a case by case basis and as such, awards will vary depending on evidence provided, viability of your business and the project to be undertaken.
- iii) This is a discretionary fund all decisions are subject to a project, business, financial appraisal and will be assessed on the basis of subject to availability of funds and first come, first served, principle.

