



Business Growth Programme 2

providing support for **Start-Ups** and
 existing **Small to Medium sized Enterprises (SMEs)**
 ready to invest, grow and create jobs

Grants Available:

£2,500 - £10,000*

(for B2B** Start-Ups located in, or moving into,
 The Marches Local Enterprise Partnership area **only**)
 and

£10,000 - £1,000,000*

(for existing B2B** SMEs located in, or moving into, The Greater Birmingham
 & Solihull or The Marches Local Enterprise Partnership areas)

BGP2 is part-funded by the European Regional Development Fund, managed by Birmingham City Council and delivered in association with two Local Enterprise Partnerships.



Local Growth Hub Contacts:

The Greater Birmingham & Solihull Growth Hub
 The Marches Growth Hub

0800 032 3488
 0345 600 0727

Grants Hotline Contact:

Birmingham City Council's BGP2 Grants Hotline

0121 464 6456



* Subject to eligibility criteria and Euro conversion rates
 **B2B = Business to Business trading must account for 80% of turnover or more, whilst Business to Consumer trading cannot exceed more than 20% of turnover

The £23.5m Business Growth Programme 2 (BGP2) is designed to improve business confidence, encourage private sector investment and create new jobs across the Greater Birmingham & Solihull and The Marches Local

Enterprise Partnership areas. It is an extension of the Business Growth Programme.

The new programme builds on a successful track record of delivery and responds to emerging opportunities such as HS2 and the Commonwealth Games 2022.

The programme offers funding support of **£2,500 - £1,000,000*** to new and existing businesses seeking to grow and is available to:

- Supply chain companies investing to develop and grow
- SMEs investing in innovative close-to-market processes, new products and services
- Businesses looking to expand, relocate and conduct marketing activities
- New Start-Ups or businesses trading less than 6 months, looking to consolidate (based in The Marches **only**)

Types of eligible project expenditure:

- Capital equipment
- Relocation and expansion
- New product development (ie improvement of production processes and systems, application of innovative advanced technology, concept development, prototyping, product testing and product launch)
- Market development
- Building Information Modelling
- **For Start-ups only:** the purchase of small consumable items directly associated with delivering your BGP2 project such as installation and internal refurbishment costs, business signage, capital equipment, marketing/branding, broadband, telephone connectivity, business professional fees to aid business set up (such as legal and notarial fees) along with technical and financial expertise costs.

BGP2 business definitions

Start-Up businesses – a brand new Start-Up, or a Start-Up trading for up to 6 months and moving into or based in The Marches only.

The definition of a Start-Up is a brand new or newly emerged business venture, set up by an individual founder or entrepreneur that aims to develop a viable business model to meet a marketplace need or problem.

Existing SME businesses - 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 the Sterling equivalent of €50m and/or an annual balance sheet total not exceeding the Sterling equivalent of €40m and be less than 25% owned by another company or combination of other companies.

For full eligibility criteria, visit

www.birmingham.gov.uk/bgp2

BGP2 is offered on the basis of a company creating new jobs. For every £10,000 grant awarded, one new job must be created. For example:

Grant Requested

New Jobs Required

£2,500 - £10,000

one new job required (applies to Start-Ups **only**)

£10,000 to £20,000

one - two jobs required

£100,000 to £200,000

ten - twenty jobs required

£300,000 to £400,000

thirty - forty jobs required

Failure to create the required number of jobs may lead to a reduction in grant or repayment of the grant in full.

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 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. De Minimis State Aid intervention rates are up to 50% in more developed areas and up to 60% in transitional areas, whereas GBER intervention rates are between 10% - 50%.

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).

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 small grant (minimum grant is £2,500 for Start-Ups and £10,000 for existing SMEs).

Refer to the BGP2 GBER Fact Sheet and Eligible Capital Grant Calculator on our website to help you work out the intervention rate applicable to you.

The programme limits awards to one grant per SME.