



THE AD:VENTURE BUSINESS GRANT SCHEME

Guidance Notes

This document provides potential applicants and intermediaries with key information about applying for the AD:VENTURE Grant Programme

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WELCOME

The AD:VENTURE Business Support programme provides dedicated funded support to eligible pre-start, start up and young businesses who have strong growth ambitions to expand and create jobs in the Leeds City Region. The AD:VENTURE Grants scheme is part of the support the programme offers, and provides two different types of grants for start-up and young businesses.



The Business Start-Up Grant (0-12m)

supports new businesses within their first 12 months of trading that trade with other businesses. Business grants are available of between £1000 and £2500 to support start-up costs, with businesses required to contribute 50% of eligible costs.

Businesses must be able to show they have the aspiration and capacity to grow turnover and employment levels. This should increase turnover to 250k and create 3 jobs within 3 years as evidenced in the business plan and cash-flow forecast.

The Business Growth Grant (13-36m)

supports young businesses that trade with other businesses. Business grants are available of between £2500 and £25,000 to support capital growth costs, with businesses required to contribute a minimum of 50% of eligible costs.

Businesses must be able to show they have the aspiration and capacity to grow turnover and employment levels. This should increase turnover to 500k and create 5 jobs within 3 years as evidenced in the business plan and cash-flow forecast.

The Grant can be used to fund costs that support growth and job creation in your business, for example we can fund :

Tools and Production Equipment

Website Development and Design

Developing Initial Marketing Collateral

IT & Office Furniture

The Grant can't be used to fund the on-going running costs of your business or anything that is a statutory requirement, for example we can't fund :

Stock or Working Capital

Rent, Rates, Staff Salaries

On-going Marketing Costs

Data Protection Regulation

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THINK BIG: THINK AD:VENTURE



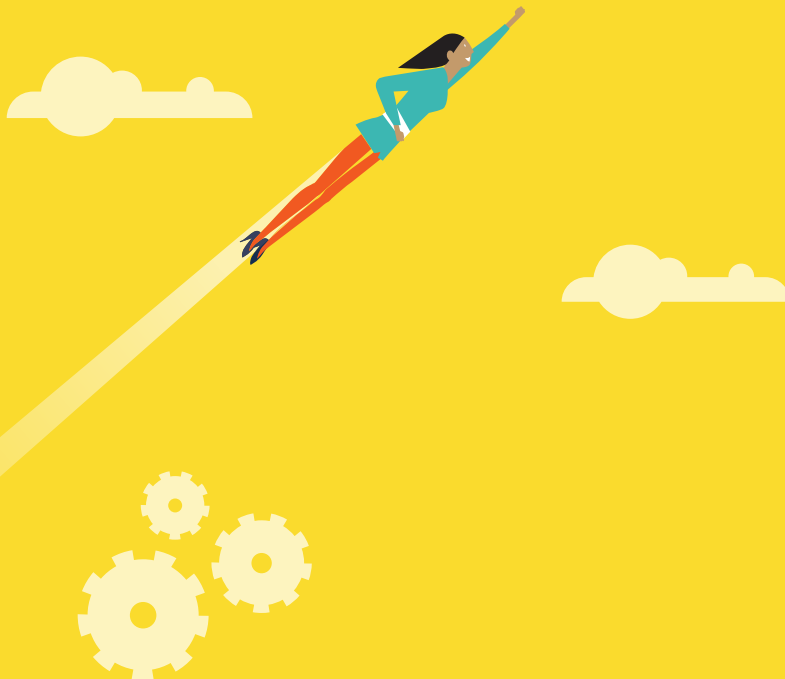
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ELIGIBILITY CRITERIA

To qualify for the grant businesses must:

- Be located in and trade from an address within the Leeds City Region (the Leeds City Region covers the local authority districts of Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield and York (but excludes Barnsley in this case as it falls within Sheffield City Region for the purpose of EU Structural Investment Funds).
- Have fewer than 250 employees (full time equivalents).
- Have an annual turnover of less than €50 million (around £43 million).
- Have not received State Aid (funding from any national or local public-sector scheme) in excess of €200,000 over the previous 3 financial years.
- Have a business bank account
- Have 100% of all start-up costs and have the ability to cash-flow these costs. This is because the grant is claimed by the business after the project money is spent.
- Provide a business plan, cash-flow forecast and end of year accounts or similar (if applicable), to show that the business is viable and has growth potential.
- Clearly explain the benefits and the needs for the grant support in the grant application form.



AD:VENTURE can NOT support:

- Non SMEs, Businesses outside of the Leeds City Region (Including Barnsley which although part of the Leeds City Region LEP area, it's not treated as such for the purpose of EU SIFs and falls within the Sheffield City Region)
- Businesses in the banking and insurance sector,
- Businesses in the nuclear or nuclear decommissioning sector,
- Businesses in the agriculture and fisheries, coal, steel, ship building and education sectors.

Retail Businesses

The AD:VENTURE grant programme is aimed at supporting new and young SMEs with a focus on Business to Business. The programme can only support retail and business to consumer businesses in limited circumstances. Any business with more than 50 % Business to Consumer activity must be able to clearly demonstrate that the support requested does not simply displace customers and market share from other similar businesses, but genuinely grows the market.

Business eligibility for the AD:VENTURE programme will be assessed on a case by case basis, if you have any queries please contact the AD:VENTURE team.

APPLICATION PROCESS

1

To access an AD:VENTURE grant a business must first have registered and been accepted onto the AD:VENTURE programme.

To register please contact the AD:VENTURE team on **0845 524 0210**, by email **support@ad-venture.org.uk** or register on-line at **www.ad-venture.org.uk/register**

2

Once accepted onto the programme, the business will meet with a Business Adviser to discuss their businesses needs in more detail.

3

If both the business and the Adviser agree the AD:VENTURE grant application is right for the business, and have identified the financial contribution (match) the business will use, the business will then need to review and/ or develop a business plan and two-year cashflow forecast with the support of their Business Adviser.

4

Once a plan and forecast are in place, the business is then ready to put together an AD:VENTURE grant application and obtain quotes for proposed expenditure.

The following is required with each application form:

- Grant application form
- Business Plan
- 2 year cash flow and sales forecast
- End of year accounts or similar to evidence historical trading if applicable
- 3 like for like quotations in relation to the items requested and specification of work sent to suppliers (see procurement guidelines)
- Purchase pro-forma (see procurement guidelines)
- Proof of financial contribution (match)

We may also need additional information in support of your application, for example:

- Evidence of lease agreements particularly if expenditure relates to business premises.
- Evidence of expressions of interest/orders
- Evidence of Intellectual Property (where appropriate)
- Evidence of meeting regulatory trading standards i.e. Environmental, data protection or planning.
- Details of proposed timeline of activity relating to specialist consultancy such as marketing, web development, PR, legal

See next page for continuation of the application process



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APPLICATION PROCESS (CONTINUED)

5

Once received the application is reviewed by a Grants Officer, at this point a grant officer will contact the business to; let them know how long it will take to process the application, clarify any points on the application and obtain any missing or additional information.

The application is then sent to the Grant Panel for decision.

6

Once a decision is made panel feedback is provided for both unsuccessful and successful applications.

7

Successful applicants are issued with a grant offer letter, which the applicant signs and returns.

Grant aided spend can now be undertaken.

8

Once expenditure is complete the business submits grant claim and supporting documentation to their Grants Officer. If all documents are correct, grant payment is made.

Please Note:

To apply for a Grant you must already be registered and accepted onto the AD:VENTURE Programme. We expect most applicants for the Business Start-up Grant to be accessing an on-going programme of business advice and support from an AD:VENTURE Business Adviser. We encourage all applicants to take advantage of business adviser support, which includes sign posting to a range of other support available through the programme. However, we acknowledge that some applicants, particularly for the Business Growth Grant may already have a business plan, cash flow forecast and simply not require much support from an Adviser. If this is the case a business can talk to their Adviser about submitting their grant application directly to the grants team.

Support with your application

Business Advisers and expert workshops are available to support businesses in completing business plans and cash flow forecast, to help with applications for an AD:VENTURE Grant.



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MINIMUM BUSINESS PLAN REQUIREMENTS

We understand that some businesses may already have business plans and may not require business adviser support to complete the application form. However, we would expect a business plan to include the following as a minimum to be considered for a business grant. A business plan template is available on request.

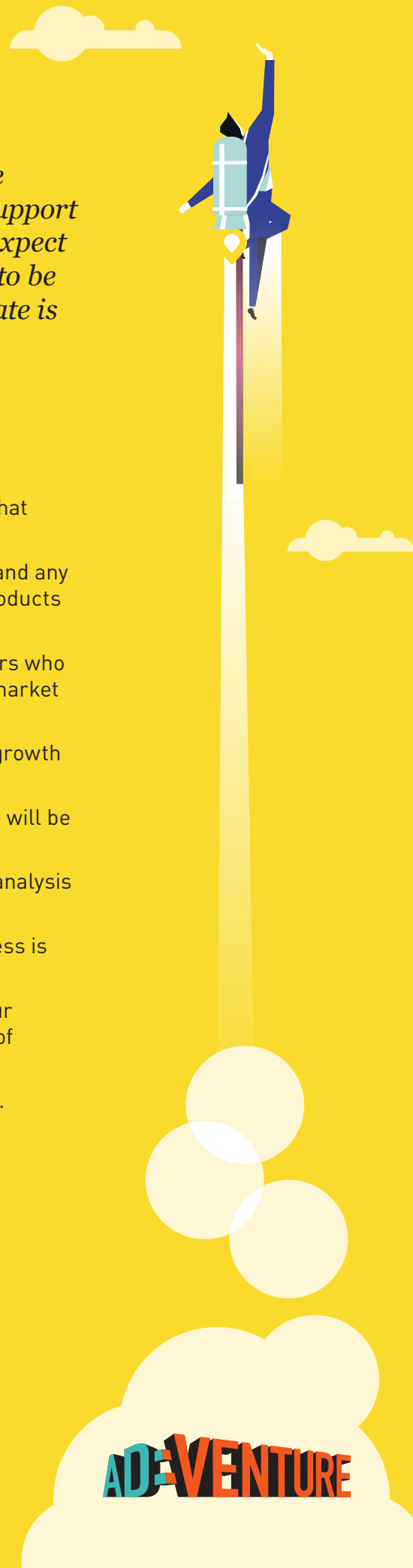
- **Contact details** – name, address, email.
- **Partner details** – details of partners in the business.
- **Executive summary** – a high level summary of your business.
- **Business description** – what do you do, brief history, ownership, what makes you different. Knowledge and experience.
- **Product and Services** – breakdown of your products and services and any future products and services you want to develop. How are your products and services sold.
- **Target Customers and Clients** – explanation of your main customers who are they? How have you identified them, have you undertaken any market research?
- **Growth Potential** – explanation of the businesses aspirations and growth potential.
- **Staffing plan and recruitment strategy** – summary of the jobs that will be created and how they will be achieved.
- **Strengths, Weaknesses, Opportunities and Threats (SWOT)** – an analysis of specific aspects of your business.
- **Competition** – description of your competitors and how your business is different.
- **Marketing Strategy & Plan** – Industry trends and knowledge of your market and how you plan to get your product and services in front of customers.
- **Sales forecast** – a month on month sales forecast showing 2 years.
- **2 years cash flow** - expected cash flow for minimum of 2 years

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THINGS YOU NEED TO KNOW

- Grant offers are subject to a time limit which will be set out in the offer letter.
- It is a condition of all grants offered that the business provides all reasonable information to allow monitoring of anticipated benefits (jobs created, improved performance etc.)
- All grants are paid in arrears and will cover up to 50% of eligible costs.
- The maximum grant a business can obtain over the life span of the programme is £25,000.
- The grants programme is competitive, although AD:VENTURE will try to support as many businesses as possible, funds are limited and not all business will be successful.
- Business can apply for funding up to twice during their time on the AD:VENTURE programme.
- The Business Growth Grant has been designed to support employment growth in the Leeds City Region. As a guide a grant of up to £5,000 would expect to generate 1 new employee.
- All expenditure will require a full audit trail, including relevant procurement evidence (see procurement guidance section) Advice is available.
- Grants are discretionary and the decision of the Head of Business Support is final.
- AD:VENTURE grants can be paid in two phases, if this option is right for you please discussed with your Grant Officer.



Grant Payments:

- In most cases **100%** of the **Start-Up Grant** will be awarded upon satisfactory completion of the investment.
- The **Business Growth Grant** will be made in two instalments:
- **75%-90%** of the **Business Growth Grant** will be awarded when investment is satisfactorily completed.
- The remaining grant funds will be paid upon recruitment of the appropriate number of additional staff (evidenced by a job declaration form)
- Accepted evidence for both grants will be copy invoices and copy bank statement showing payments have been defrayed. (paid out)
- Grant is only payable for costs incurred after the application is formally accepted.
- Repayment of the full grant will be sought if any aspect of the application or grant claim is found to be fraudulent.
- Approval of a business grant DOES NOT imply approval under other relevant legislation or requirements. It is the applicant's responsibility to obtain and comply with all necessary consents such as planning, building regulations, environmental health, landlord's consent etc.

FORTUNE FAVOURS THE BRAVE



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PROCUREMENT GUIDELINES

Any items funded by an AD:VENTURE Grant must meet the following requirements:

Total value of investment (Grant and Business Investment)	Requirement
£1000-£25,000	<p>3 like for like quotations sought from relevant suppliers of goods, works and services for each item.</p> <p>Justification for the choice of supplier - Businesses do not necessarily have to accept the lowest priced quote, other factors like the quality of the offer can be taken into account. However, it needs to be clear that the decision was taken objectively. The AD:VENTURE team can provide templates which will help applicants assess quotes against a number of factors .</p> <p>For services, a written specification or description of the service will be required to show all suppliers were responding to the same request, and are therefore are like for like quotes.</p>

The requirement for three quotes apply to all expenditure regardless of value. Applicants should consider this before including a large number of small value items on their application.

Total value of investment (Grant and Business Investment)	Advertising Requirements	Requirement
£25,000 - £ 50,000 (services and works)	Advertise the opportunity on the grant recipients/or other appropriate website for 10 days.	<p>The advert needs to include or direct any interested party to the following information:</p> <ul style="list-style-type: none"> • Details of the opportunity/specification • What is required from all interested parties i.e. written quotation • Details of how the 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>
£25,000 - £ 50,000 (supplies)	None	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

COMPLETING THE APPLICATION

Use of Funding

Please explain how the grant funding will be spent and what items and services will be procured and for what reasons. The breakdown of individual costs should be included in your application form.



Anticipated Benefits

Please explain why the grant is needed and describe the problem/opportunity that the grants will solve or take advantage of. You can explain what benefits will be achieved e.g. jobs, increased sales, improved efficiencies, productivity.



Job Creation

The programme is linked to job creation; please provide details of any jobs that will be created. This should include the number and type of jobs that will be created. For example, if you can provide details of the level of the role and the job title you expect them to have.



Total Costs and 50% Funding

Please provide a breakdown of the total costs (excluding VAT) for all items the grant will be used for. Please add additional lines to the form if there isn't enough space. The grant can provide up to 50% funding towards a project, however, you should outline how the full cost of the project will be met as the grant is only claimable after project costs are spent. (e.g. yourself, cash in business, overdraft, loan, other sources)

Impacts

Please tick all boxes that you anticipate the grant will create e.g. jobs, products, services processes, increased turnover and provide a description where relevant.



Preferred Supplier Describe how you chose your preferred supplier, for example have you chosen the lowest price or used a combination of price and quality.



Job Recruitment

Please describe how you intend to recruit to the jobs that you will be creating.



EXPLORE THE POSSIBILITIES

GRAB THE OPPORTUNITY



PLEASE NOTE:

Grant applications will not be reviewed until all required documents have been submitted (see the application process section for full details)

Applications must be signed and dated by the grant applicant.

In signing the grant application, the business is confirming that all information included in the application is true to the best of their knowledge. If Leeds City Council subsequently discover that information provided was untrue they reserve the right not to award grant funding, or ask you to repay any grant already paid.



Tel: 0845 524 0210

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