

SEBB GRANT GUIDELINES

Introduction

South East Business Boost (SEBB) Programme provides Small and Medium Sized Enterprises (SMEs) within the South East Local Enterprise Partnership (SELEP) region with grant funding to cover eligible capital investment that will allow you to grow in the market place and enable job creation and the introduction of new products/processes.

Grants provided will cover capital items and projects with a minimum grant of £1,000, and a maximum of £10,000. The maximum grant intervention rate is 30%. Applicants must pay for any costs not covered by the grant with private funding, such as savings or a bank loan. The expenses must be paid for and evidenced by the business, prior to claiming and receiving the agreed grant amount back from the SEBB Programme.

Business Essex Southend Thurrock (BEST) Growth Hub

www.bestgrowthhub.org.uk
info@bestgrowthhub.org.uk

The Hive Enterprise Centre
The Old Central Library
Victoria Avenue
Southend-on-Sea
SS2 6EX
☎01702 417765

Business East Sussex (BES) Growth Hub

www.businesseastsussex.org.uk
info@businesseastsussex.org.uk

8th Floor, Ocean House
87-89 London Road
St Leonards-on-Sea
East Sussex
TN37 6LW
☎0844 415 2260

Kent & Medway Growth Hub

www.kentandmedwaygrowthhub.org.uk
business@kentandmedwaygrowthhub.org.uk

Ashford Business Point
Waterbrook Avenue
Sevington
Ashford
TN21 0LH
☎0300 456 3565

Potential applicants who intend to make a formal application to the SEBB Grant Programme must read, and ensure they understand, all the content of this guidance before they apply.

Please note, we cannot be held responsible for any advice on eligibility you receive from third parties with respect to the SEBB Grant Programme.



European Union
European Regional
Development Fund

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Are you eligible?

Business size

The SEBB programme may support Small & Medium Sized Enterprises (SMEs) ¹. This is defined by the number of full-time equivalent (FTE) staff, and the company's turnover and balance sheet.

SME QUALIFYING CRITERIA		
FTE STAFF	TURNOVER	BALANCE SHEET
Less than 250	Less than €50m ²	Less than €43m

Where a business has any Partner or Linked companies, there will be supplementary considerations in relation to the above. If required, this will be calculated by the SEBB Programme.

What is an FTE employee?

Anyone who works a minimum of 36 hours per week counts as 1FTE employee.

A person working 36 hours for 3 months of the year would be 0.25FTE employee.

$(1\text{FTE} \div 12 \text{ (months in a year)} \times 3 \text{ (months contracted)}) = 0.25\text{FTE}$

FTEs include business partners and directors.

If any person, including a business partner or director, works more than 36 hours per week, they still count as 1FTE employee. Apprentices or students who are engaged in vocational training and have apprenticeship or vocational contracts are not included in the staff headcount:

Legal entity

Applicants may be sole-traders, partnerships, limited companies, social enterprises, not-for-profit businesses and some charities, as long as they are engaged in economic activity. All businesses will be required to have an operational business bank account in their business/company name.

De Minimis

The business must also be able to confirm that they have not exceeded the State Aid De Minimis maximum. This must be the case including the anticipated grant amount being applied for³.

¹To access user guide to the SME definition go to

http://www.etsi.org/images/files/membership/SME_definition_user_guide_2015.pdf

²The official Commission exchange rate is updated monthly and be accessed here:

http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/index_en.cfm

³The total De Minimis aid which can be given to a single recipient is €200,000 over a 3-year fiscal period. The sterling equivalent is calculated using the Commission exchange rate is applicable on the written date of offer of the De Minimis funding.



Sectors:

The following sectors are not eligible due to State Aid regulations:

- Fisheries and aquaculture which are supported through EFF
- Primary production, processing and marketing of agricultural products, which is supported through EAFRD
- The coal, steel and shipbuilding sectors (excluded by the General Block Exemption EC 800/2008)
- The synthetic fibres sector (excluded by the General Block Exemption EC 800/2008). Further explanation of the meaning of synthetic fibres sector can be found on the European Commission website at http://ec.europa.eu/competition.state_aid/legislation/archive_docs/96c94_en.html

In addition:

- Establishments providing generalised (school age) education cannot be supported as this is a statutory duty on local authorities.
- Banking and Insurance companies cannot be supported, as their activities are non-productive and support to one institution is likely to lead to displacement of jobs, except as a deliverer of services or match funding, for example as members of a VCLF consortium. This would include insurance brokers who act as intermediaries and 'sell' insurance policies to businesses or individuals.
- Charities and voluntary sector organisations, that are not using a trading arm, are ineligible.
- Businesses that are in the retail sector only are not eligible for a SEBB grant.

Is your proposal eligible?**Location:**

The SEBB Grants Programme supports businesses based in the South East Local Enterprise Partnership area. This includes: Southend-on-Sea, Thurrock, Essex, Kent & Medway, and East Sussex.

Purpose:

A SEBB Grant may be used to support projects that facilitate growth and expansion of a business. Additional aims of the Programme are to stimulate job creation, allow for the introduction of new-to-firm products or services, and support new businesses.

Readiness of the proposal:

Applicants may apply for a grant when their proposal is ready to commence. Any necessary permissions and licenses should be in place before submission of a Grant Application. **Claimable costs should not have been initiated or incurred prior to the grant approval date.**



Available funds to support the proposal:

Applications should only be made once the applicant has the required eligible funding in place in order to carry out the project. E.g. Existing funds held within the business, director's loans/bank loans. Loans are acceptable as a funding source providing the loan is **not** secured against the item/project that is being supported by a SEBB grant.

Some funding sources are deemed ineligible. These include:

- Lease Agreements
- Hire Purchase Agreements
- Finance Agreements
- Purchases made with Credit Cards

In addition, funding from Government or local authority grant programmes, EU funding, Lottery, other programmes or grant initiatives, are not eligible for use as a funding source.

Need for grant funding:

You **must** demonstrate that the project would not go ahead without a grant, or be substantially delayed or reduced. There are restrictions in place for percentage of the project costs that can be supported with a grant, and all project expenditure must be eligible.

What capital costs are eligible?

This list is not exhaustive.

	Costs	Condition/Exception(s)
Eligible	Premises development	Construction, extension, improvement. These costs are dependent on building ownership/length of lease.
	Higher Cost Specialist Software	Software development costs/programming are not eligible.
	Specialist IT Equipment	
	Plant, Equipment and Machinery	

Non-eligible costs

This list is not exhaustive.

	Costs	Condition/Exception(s)
Non-Eligible	Match-funding for another EU funded project	
	Paying off debts or re-financing	
	Purchase of stock	This includes any items that may be subject to resale in the future
	Purchase or rental costs of land, buildings etc.	
	Costs of building maintenance or renewal	
	On-going normal business costs (i.e. business rates, overheads etc.)	
	Costs associated with statutory or legislative requirements for the organisation	
	Staff/recruitment costs	
	Building on a residential site	
	Like-for-like equipment replacement	



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Currently, SEBB is only able to offer Capital Grants. This excludes certain additional costs, considered as revenue under the programme, from eligibility. See list below.

This list is not exhaustive

Non-Eligible	Costs	Condition/Exception(s)
	Product/Software Development	
	Staff Training	
	Projects that relate solely to the retail-only section of a business	This applies even if the business is not solely in the retail sector
	Website development	
	Promotions and marketing	
	Consultancy costs	

Eligible costs will not include VAT unless you are unable to reclaim it.

All proposed costs claimed must be supported by certified copies of invoices and correlating bank statements. Any costs that cannot be evidenced cannot be included. No spend is allowed before an offer is made. This is checked by way of invoice dates and bank statements. Any expenditure incurred prior to the offer will be deducted from your eligible cost and your grant will be reduced as a result.

Applying for funding?

Grant Application

Assessment

Grant Panel

Offer
Letter/Funding
Agreement

Grant Claim
/Payment

Monitoring



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Application

Applicants wishing to apply for a grant should first contact their local Growth Hub (see contact details on page 1).

Initially, the basic eligibility, as outlined above, will be assessed. Once confirmed, you will be contacted for information of the intended project proposal. If your proposal meets the eligibility criteria of the Programme, you will be provided with a Grant Application Form and relevant guidance.

A copy of your completed Application Form, signed in accordance with your normal signing arrangements, must be provided to SEBB.

Please note: your Grant Application will not be taken any further until we have received your full application form along with all necessary supporting documents, including all relevant quotations.

Assessment

Having received your Application Form and supporting documents, we will appraise the application, and submit the details to the SEBB Grants Panel.

To complete the appraisal, an assessment of your proposal, based on your application form and supporting information (including evidence of value for money⁴), will be completed. You may also be asked for additional information during this process, if any is required.

Once the assessment of your Grant Application has been completed, this will be submitted to the Grant Panel who will take the final decision on your Grant Application.

⁴ *Three (3) comparative written quotations (or price comparisons) for each expense within a project will be required to be supplied with a Grant Application.*

Please note: The supplier named and chosen from the quotations given should be the one used. If the supplier changes between Application and Grant Claim, this will require the new supplier quotation, and a justification. This may affect your grant amount.

Grant Panel

The Grants Panel is made up of at least one member of each Delivery Partner within the SEBB Programme, spanning the South East Local Enterprise Partnership area. The panel is responsible for making decisions on grant applications on the basis of the details supplied within the Grant Application Assessment.

The Panel's decision, which is final, will be replayed to applicants at the earliest opportunity. If your Grant Application is rejected by the Panel, an explanation will be provided. Please note, there is no right of appeal against the Panel's decision, however, an SME may make another Grant Application, if the first is refused, providing the reason for refusal is not based on the basic eligibility of the business.



The Grants Panel takes place fortnightly, on a Thursday. It is expected that all documents relating to a **completed** Grant Application are received by the Programme Team no later than the day after a Grants Panel, in order to be included in the next. **For Example;** *if a Grants Panel takes place on Thursday 12th October, and again on the 26th October, then a completed Grant Application would need to be received by 13th October to be included in the Grant Panel on the 26th October.*

Please note: the **completed** status of a Grant Applicant includes the receipt of any additional information that may be requested during the appraisal process.

Offer Letter

If your grant is approved, you will usually be sent a notification via email initially, advising of the grant approval date, total eligible project costs, and the maximum grant amount agreed. We will also attach an information and advice document, indicating some basic 'dos and don'ts'.

A formal Offer Pack will be sent out as soon as possible after the Panel's decision has been made. Within this pack will be:

- Offer Letter;
 - Confirmation of grant approval, and amount
 - Breakdown of eligible expenditure, and amounts
 - Action points
 - Outputs and Timescales
- Grant Funding Agreement
- Grant Funding Agreement Schedules;
 - Bank Details Form
 - Monitoring Information Requirements
 - State Aid Declaration
 - Diversity Monitoring
 - VAT Declaration Form
 - Job Creation Commitment (if required)
 - New to firm Product/Service Aims (if required)
 - Copy of Grant Application
- State Aid Notification Letter;
 - Total value of proposed State Aid (in both € and £)
- Any other relevant documents.

The Grant Funding Agreement and Schedules form a legal Agreement, and you should ensure you read and understand the content. If you are prepared to accept the grant and conditions, a copy of the Agreement documents should be signed in accordance with your business' usual signing arrangements, and returned by post to the Economic Development Department at Southend-on-Sea Borough Council within 30 days of the date on the Offer Letter.



Grant Claims and Payment

Following notification from a SEBB Grants Officer of your grant approval date, you may begin eligible spend. This is, however, subject to the acceptable return of the signed Grant Funding Agreement documents.

Please note: any costs relating to your proposal that have already been commissioned, paid for in full, or in part, or otherwise definitely initiated before this date will not be eligible for inclusion.

All grant-agreed project purchases should be made within 4 months of the Funding Agreement date. If the business is unable to meet this deadline, the business should identify this within the 'timescales' section of the Grant Application and an extension may be considered for issue.

In your claim form, which will be supplied by Southend-on-Sea Borough Council (SBC), you will be asked to provide a breakdown of eligible expenditure incurred. You must also provide supporting documentary evidence, such as certified copies of invoices and corresponding bank statements confirming payment, to support your claim.

N.B. The Invoices supplied must clearly and unequivocally relate to the details shown on the bank statement - this includes matching the payee name and amount details.

This can be problematic when dealing with eBay seller names and PayPal account names, as they do not always correspond.

Please do not use eBay/PayPal for purchases, unless you are 100% certain this can be evidenced, as it will affect our ability to make a grant payment.

Monitoring

You may also be asked to provide additional evidence, as outlined in your Funding Agreement. This could include; the creation of new jobs, introduction of new products/services, and further details of any supported assets with a value in excess of £1,000.

You will be reimbursed an agreed grant amount by SBC as soon as we have received a satisfactorily complete claim. Failure to supply all required information will result in a delay in payment.

You must keep a satisfactory record of all your expenditure and other evidence, in line with EU regulations. The SEBB Programme reserves the right to visit any grant recipient to ensure that the grant has been used for the purpose intended, as stated in the Grant Funding Agreement. Grant recipients are obliged to cooperate with this process.

WITH OUR THANKS

The SEBB Programme Management Team

Southend on Sea Borough Council, Civic Centre, Victoria Avenue, Southend on Sea, Essex SS2 6ER



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