



# Resilience and Innovation Grant

## Grant Guidance Notes

The Resilience and Innovation Grant is funded by the Growing Places Fund (GPF) and is being delivered by SEMLEP's Growth Hub. The Fund will provide support to enterprises based in the SEMLEP area who are looking to **invest** in their business leading to **growth** during cost of living challenges; increase **innovation** levels and enhance **sustainability**, in support for transition towards a net zero economy.

### Support Provided

The Growing Innovation Fund will provide Capital Grant support to SME's in the SEMLEP region that have been affected by cost of living challenges and are looking at ways to recover and strengthen their business performance - including investing in their business, enabling innovation and enhancing sustainability, in support for transition towards a net zero economy. We would expect to see one or more of the following themes in an application. Projects that include more than one of these themes will score higher.

### Innovation

This grant funding should help the funded enterprise to become more innovative. This could include product, service or process innovation within the business, to include one or more of the following:

- Introducing a new product to the business or the market
- Introducing a new service to the business or the market
- Introducing a new process to the business

The innovation support can include the introduction of 'new to the market' products in any of its markets. A product is new to the market if there is no other product available on a market that offers the same functionality, or the design or technology that the new product uses is fundamentally different from the design or technology of already existing products. Products can be tangible or intangible (including services).

Alternatively, the grant can support the development of a product or service if it is new to the business; if the enterprise did not produce a product with the same functionality, or the production technology is fundamentally different from the technology of already produced products. Products can be tangible or intangible (including services).

It is expected that the project applied for will enable the innovation as set out by the applicant in their application.

### Sustainability and decarbonisation

This grant funding should aid enterprises in moving towards greener, more sustainable practices. It is expected that this would enable de-carbonisation ambitions as set out by the applicant in their application. This might be contributing towards the business reducing costs and greenhouse gases and working towards net-zero emissions.

## Recovery, Growth and Jobs

This grant scheme is also designed to aid recovery and growth. As such, one of the outputs of this scheme is to enable enterprises to create jobs from their Resilience and Innovation project. In these cases, as a guide we would expect a new job to be created per £20,000 grant consistent with a sustainable business case.

- **A new job created** is a new, permanent, paid, full-time equivalent (FTE) job created following support. This also includes both part-time and full-time jobs relative to full-time equivalent (FTE). FTE should be based on the standard full-time hours of the employer. *New* means it should not have existed with that employer before the intervention. *Permanent* means it should have an intended life expectancy of at least 12 months from the point at which it is created.

We will be seeking a self-declaration from employers to confirm that the support provided enabled the job to be created, and that the job is new and has resulted in an increase in the total number of people employed by the employer, and the skill level of the job.

## Funding Available

The Resilience and Innovation Grant programme has a total allocation of **£1.9M** and there are grants of **up to £50,000** available. The grants can only be used on capital expenditure.

Maximum grant intervention through the programme is up to **50%** of eligible costs of projects designed to aid recovery, increase innovation and enhance **sustainability**, in support for transition towards a net zero economy. Grants can be from a minimum of £5,000 up to a maximum of £50,000. To be awarded the maximum of £50,000, total project costs of at least £100,000 must be evidenced and, in the view of the Grant Panel, be proportionate to the size of the business and the impact of the project.

Submission of a completed application does not itself guarantee funding. Please consult the Grants Process below for details on how applications will be considered. Further, whilst we endeavour to help as many enterprises as possible it is the nature of grant schemes that the money available is finite and so **you are strongly encouraged to submit your applications as early as possible**.

## Eligible Businesses

To be eligible for grant funding, applicants must meet the aims of the Resilience and Innovation Grant and the following essential criteria:

- Be an SME (your company (or group) must employ less than 250 people and your turnover is less than €50m or annual balance sheet less than €43m).
- Be a trading enterprise or engaged in business activity (e.g. actively preparing to open/reopen), (and provide financial history, ideally the most recent filed accounts). Charities and other NFP organisations are also eligible provided they can meet the scheme obligations. Fully constituted businesses in liquidation, dissolved, struck off or subject to a striking-off notice are not eligible.
- Be registered in the UK and have a base in the South East Midlands area.
- Must not be an “undertaking in difficulty”<sup>1</sup>.

## Eligible Expenditure

Up to 50% towards the capital cost involved in delivering projects linked to the aims of the Resilience and Innovation Grant as detailed above. Examples *may* include but are not restricted to:

- Plant, equipment and machinery acquisition.
- Commercial Vehicles (limited to 2 per applicant and must be integral to the success of the project not standalone items)
- Diversification of the output of an establishment into new additional products
- A fundamental change to the overall production process of an existing establishment

- **Improvement to buildings** - Please note that where the project improves or enhances a building then we will require evidence that this is to a commercial building and not a domestic or private dwelling. This will include submission of a copy of a lease with a minimum of 5 years to run; registration of title and /or a rates bill. We will also require planning permission to be in place if applicable at time of application.
- Equipment to support specific new product/service development.

**What we cannot fund:** We cannot help with all business costs and here are some examples that cannot be included: (this list is not definitive):

- General business set up costs or core running or staff costs or working capital e.g. to buy stock, pay wages or salaries, reduce debt or support utility bills; or expenditure to comply with statutory regulations.
- Items not directly needed to deliver the proposed projects nor non-business expenditure
- Costs on the project incurred before a grant offer is made or that cannot be evidenced within the advertised grant scheme end-date.
- The direct *like-for-like* replacement of items for an existing purpose e.g. to replace broken, worn out or outdated equipment (i.e. not driven by energy efficiency / carbon reduction considerations), or the routine replacement of items and consumables including laptops and software licences.
- IT equipment including (but not limited to) laptops, computers, monitors, peripherals, servers, phones, tablets, screens, scanners, printers, photocopiers, network devices and physical storage. This list is not exhaustive.
- The purchase of land and/or buildings or improvements to domestic or private dwellings
- VAT, even where it is a non-recoverable cost.
- Repeat applications including from linked companies, nor more than one application from a Group of linked businesses
- Software

## The Grants Process

Interested businesses must submit an **Expression of Interest** via SEMLEP's Growth Hub website. You are encouraged to save your entry frequently until submitted when you receive an auto-acknowledgement. Expressions of Interest will be dealt with in the order received. A Business Advisor will then be in touch within 5 working days to determine eligibility of the business and support you through the grant application process.

## Selecting Suppliers

We **strongly recommend** that you discuss your intended procurement process with your Business Adviser before you start your application to ensure compliance.

### For single items up to the value of £2499.99 (incl. VAT)

A quote or website print out of the item showing its full cost must accompany the application

### For single items of £2500 up to £24,999.99 (incl. VAT):

You **must** provide 2 comparable written and valid (in date at the time of application submission) quotations per individual item to be purchased.

You are not obliged to accept the lowest quotation received, but a written explanation of the rationale behind any such decision will be required which demonstrates the chosen supplier's experience and/or value for money.

**For single items of £25,000 to £213,477.99 (incl. VAT):**

**You must provide a procurement brief/specification from which 3 written quotations per individual item to be purchased must be quoted against.** You must also provide the 3 valid written quotations (in date at the time of submission of your application)

You are not obliged to accept the lowest quotation received, but a written explanation of the rationale behind any such decision will be required which demonstrates the chosen supplier's experience and/or value for money.

**For Projects with single items over £213,477.00 please speak to your Business Adviser as this item will require additional advertising.**

## Submitting an EOI

You must submit an EOI **BEFORE** you submit an application. Basic eligibility checks are carried out on the EOI information and you will then be informed if your project/business is eligible to apply.

**It is a mandatory requirement for all businesses to attend a Resilience and Innovation Grant workshop via teams delivered by our Growth Hub Business Adviser. You will be sent details of the workshop via email once your expression of interest has passed our eligibility checks.**

**We will only accept applications for assessment if you have attended a workshop.**

If you submit your EOI during the last 5 working days before the application deadline your application will automatically be considered in the next application round to enable enough time for eligibility checks to be carried out.

## Submitting your Application

Submit your application to Resilience and Innovation grants email address [riggrants@semlep.com](mailto:riggrants@semlep.com) by no later than 5.00 pm 15<sup>th</sup> January 2024.

## Panel Decision

The Investment Panel will review your application and respond within 3 weeks. The Panel may request further information before making a final decision.

The Investment Panel will assess each application on a case-by-case basis, taking into consideration the following criteria:

- **Clarity of proposition** – how the funding aligns with Innovation, growth and decarbonisation.
- **Value for money** – how many jobs will the project create and is the forecast realistic
- **The impact on the business and the local economy** – an assessment of the scale and ambition of the proposal
- **The need for financial support** – why does the business need the grant funding
- **Deliverability** – the likelihood of growth plans being realised in the timescales set out
- **Financial viability of the business** – each applicant will be subject to a credit check

The Panel has the right to refuse grant assistance or decide on the percentage of grant awarded against eligible expenditure. The Panel's decision is final.

## Offer Letter

If the Investment Panel decides to award you a grant, we will send you a grant offer letter. The date of the grant offer letter is the date from which you can start your project. **Any work carried out before this date is ineligible for grant funding.**

## Implementation Phase

Your Business Adviser will keep in contact with you during the implementation phase of your project. If you experience any unforeseen difficulties, require support, or need to amend your project in any way, please contact us as soon as possible.

**Any changes to your project (i.e. in supplier, value, or timescales) will need to receive prior approval in writing from SEMLEP and/or the Investment Panel. Without this your grant award will be considered invalid.**

## Grant Claim

Once you have paid for the goods or services, you can submit your grant claim using **Grant Claim Form**. In addition to your completed claim form, you **must** provide:

- the required evidence of your procurement
- a certified copy of your supplier invoice(s)
- a certified redacted business account bank statement
- evidence of full payment from your credit facility to the supplier (if applicable)
- evidence of full payment from your business bank account to your credit facility (if applicable)

We will request an electronic signature once the claim has been reviewed.

**Please note:** If you have paid your suppliers using a credit card, we will be unable to process your claim without a certified redacted business bank statement showing full payment to the credit provider.

## Grant Payment

Once we have checked your claim, we will make a payment by BACS to your business bank account. If there are any queries relating to your claim, we will contact you as soon as possible.

## Next steps

If you have any questions about this grant scheme, the process, or the required documentation please contact the team on [riggrants@semlep.com](mailto:riggrants@semlep.com).

To apply for this grant scheme, please submit your expression of interest form via the link supplied on our website. Expressions of Interest will be dealt with in the order received. A Business Advisor will then be in touch within 5 working days to determine eligibility of the business and support you through the grant application process. Full application forms and supporting evidence are then to be submitted to

[riggrants@semlep.com](mailto:riggrants@semlep.com) by the closing date of 5.00 pm on **15<sup>th</sup> January 2024** for the application round provided your EOI has been checked and you have notified of eligibility. If your application arrived after the cut off then it will be allocated for assessment in the next round of applications. Subsequent rounds of applications will close for new applications every 2 months until the funding has been fully allocated.

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<sup>1</sup> The definition of an **'Undertaking in difficulty'** includes businesses that:

- have accumulated losses greater than half of their subscribed share capital (for limited liability companies) or capital (for unlimited liability companies)
- have entered into collective insolvency proceedings or fulfilled the criteria to be put into collective insolvency proceedings
- have previously received rescue aid that was yet to be reimbursed or (in the case of a guarantee, terminated)
- have received restructuring aid and were still under a restructuring plan
- have (where the undertaking is not an SME) fallen below the required solvency ratios for the previous two years.