



# **Grow in Sandwell SME Grant Policy**

V.1 November 2023

## 1. INTRODUCTION

- 1.1 Grow in Sandwell is an economic priority of the Sandwell Business Growth Plan aiming to empower businesses to achieve sustainable and scalable growth by providing strategic guidance, resources, and solutions to drive innovation, enhance competitiveness, and expand market reach, enabling businesses to reach their full growth potential and thrive in dynamic markets.
- 1.2 The West Midlands SME Grants Programme aims to stimulate business and enterprise activity, improve business confidence, encourage investment, while upskilling and creating local jobs. This will be achieved here primarily through providing financial grant support to established small to medium sized businesses in the Sandwell area, to assist them in fulfilling certain growth ambitions.

## 2. GRANT APPLICANT CRITERIA

- 2.1 To be eligible to apply for a Grant, the business must:
  - Pay or in the case of business relocation, be going to pay business rates to Sandwell Metropolitan Borough Council.
  - Be a small to medium sized enterprise (SME) - SME defined as an organisation that employs fewer than 250 persons and/or which have an annual turnover not exceeding £36 million, and/or an annual balance sheet total not exceeding £18 million.
  - Be profit seeking and have been trading more than 2 years- for businesses trading less than 2 years please refer to start-up grants.
  - Have a business bank account, not a personal account used solely for business.
  - Not be a charity or an organisation of a political or religious persuasion; activities involving pornography or clairvoyance; or any business activity that is illegal or deemed unsuitable for public

support by Sandwell Council are not eligible for Grow in Sandwell Grant support.

### **3. GRANT ELIGIBLE COSTS**

#### **3.1 Eligible costs include:**

- Relocation, expansion, and growth of the existing businesses
- Developing new market opportunities
- Promotional activities
- Innovation – Including the development of new products including prototyping, testing and commercialisation (excluding research and development activities)
- Low carbon/energy efficiency/waste management
- Improving systems and processes
- Capital investment, e.g. new plant, machinery, and equipment
- Increase in productive capacity of new and existing premises through new property builds/refurbishment/extensions on a commercial property

### **4. GRANT INELIGIBLE COSTS**

#### **4.1 Ineligible costs include:**

- Professional Fees - Accountancy fees; coaching and mentoring; consultancy fees relating to completing the application; recruitment; training (excluding training on a new piece of equipment purchased as part of a project); writing of a generic business plan, generic marketing strategy, etc.
- General Business Expenses - Costs associated with legal/statutory business compliance; forwarding of post for a change of address as part of relocation; ink/toner cartridges or printer ink; internal employee wages/time; monthly bills/annual charges (i.e. telephone, internet, utilities, servicing of equipment); newspapers/journals; printing of current promotional material; postage of current promotional material; service/maintenance

charges on office equipment; stock items; subscriptions to magazines, etc.

- Property Expenses - Conversion of a building into offices or accommodation for rental purposes; planning permission/building regulation fees; rent & rates for current or new premises; rent deposit on new premises; service charges, etc.
- Ineligible Travel Expenses/Subsistence - Accommodation; car parking; company vehicles; courier services; flights; food and drink; mileage; petrol, diesel, or other fuel; taxis; refreshments; travel abroad, etc.
- The grant funding will not be used for training and skills development because this provision is supported through alternative funding routes.

**This list of ineligible costs is not exhaustive and may be subject to change. Sandwell Council has the final decision on the eligibility of project costs. Please contact the Sandwell Business Growth Team for more information.**

## 5. PROCUREMENT GUIDELINES & TIMESCALES

- 5.1 Eligible applicants must be able to financially complete their projects within 3 months from the date of approval in principal notification including spend, defrayal and claiming the grant.
- 5.2 Grant recipients must contact Sandwell Business Growth Team if projects spend is delayed that will result in grant funding spend not being achieved in the required timescale.
- 5.3 Grant recipients are to note that funding is provided through the UK Shared Prosperity Fund (UKSPF) and is subject to the Public Procurement Regulations. Grant Recipients are advised to refer to the UKSPF Guidance to ascertain the extent of the regulations they are subject to and if necessary, obtain independent procurement advice. Assuming the Grant Recipient is not a contracting authority, they will be required to comply with National Rules contained within UK Procurement Law Guidance.
- 5.4 A minimum of three written quotations are required as part of the grant funding application for all expenditure (one item or the sum of

many items from one supplier) between £1,000 - £24,999 along with justification on the preferred quote/supplier. Local suppliers are encouraged as part of supporting Social Value in Sandwell.

- 5.5 For all expenditure, the suppliers must not be persons or businesses connected to the applicant business, directors, or shareholders

## **6. AMOUNTS PAYABLE**

- 6.1 A single grant of up to £20,000 is available per SME, at an intervention rate of up to 50% of the total project cost.
- 6.2 The grant must be expended on eligible project costs outlined within the successful application and grant payment claims will not be paid for retrospective expenditure (expenditure dated prior to the date of approved funding agreement). Purchase Orders for eligible expenditure can be reserved or placed once 'approval in principal' confirmation has been received.
- 6.3 The grant must be match funded (a minimum of 50%) 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.
- 6.4 Grant funding is subject to availability, on a first come, first served basis, where all documentation has been provided and criteria of submission are met. All funding decisions are subject to a project, business, and financial appraisal, assessed on a case by case basis.
- 6.5 Payment will be made directly to the business bank account via BACS transfer.

## **7. SUBSIDY CONTROL**

- 7.1 Business support is subject to UK subsidy obligations set out in the trade and co-operation agreement (TCA) with the EU and the world trade organisation (WTO) rules on subsidies. Businesses which have already received any type of grant support that equals the maximum permitted level of subsidy will not be eligible for further funding.

- 7.2 The programme operates in accordance with subsidy allowance under the Small Amounts of Financial Assistance Allowance – you're allowed up to £335,000 (subject to exchange rates) in Small Amounts of Financial Assistance over any rolling period of 3 financial years.
- 7.3 More information: [www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities](http://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities)
- 7.4 Any aid awarded under this grant programme must be declared by the grant recipient including if the recipient is intending to apply, or has applied, for any other public funding. If the grant application is approved, the grant offer confirmation must be retained and shown to any other public funding bodies, if further grant funding is sought by the grant recipient, for three years following the grant funding offer.
- 7.5 False declarations will lead to the recovery of the value of the grant provided plus interest.
- 7.6 Where the applicant business is part of a wider group the £335,000 limit applies to the groups activity as a whole, for the purpose of public sector subsidy support received in the UK.

## 8. THE APPLICATION PROCESS

- 8.1 Applicants must complete a free business diagnostic with Sandwell Council's Business Growth Team.
- 8.2 Upon completion of the diagnostic, a financial impact assessment will be undertaken. Documents required for the financial impact assessment are as follows:
- 3 months bank statements
  - 12 months cash flow forecast
  - 2 years accounts and 1 year of management accounts
- 8.3 Upon the satisfactory completion of the financial assessment an application will need to be completed online via the grant portal: [www.grantapproval.co.uk/](http://www.grantapproval.co.uk/)
- 8.4 A passcode will be provided to enable access to the specific grant should the application be approved.

- 8.5 The following supporting documentation must be uploaded to the application portal as part of the grant application process:
- Price quotations (if you are unable to provide 3 quotes, then a single tender form will be required).
  - Business Bank statements
  - Proof of Identify
- 8.6 The application will gather the information required to satisfy the funders minimum data set and to locally determine eligibility and the amount of grant payable. Businesses will be asked to provide evidence to support their application via the online portal.
- 8.7 This a financial and time limited grant programme and the application process will close once the available grant funding has been committed.
- 8.8 Grant recipients should note that their data may be shared with the West Midlands Combined Authority (WMCA) and the UK Shared Prosperity Fund (UKSPF) team at central government for research and evaluation purposes and for the prevention and detection of error and fraud.
- 8.9 Information collected will be stored securely and retained in compliance with GDPR and the data protection act. This information will be used to evaluate the grant scheme and will be reported to the lead authority for UKSPF funding the WMCA.

## **9. GRANT PAYMENTS**

- 9.1 All expenditure undertaken as part of the grant funded 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 eligible for grant payment.
- 9.2 Sandwell Council will only reimburse against invoices for eligible expenditure dated after the date when the funding agreement was approved. Grant claims should not include recoverable VAT.
- 9.3 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 required evidence, i.e. copies of invoices for

approved eligible costs and bank statements to evidence the payments. All documents required to make a claim are to be submitted to the Business Growth Team.

- 9.4 Grants can be claimed either at the completion of your project or by instalments agreed with the Business Growth Team.
- 9.5 Grant payments will be reimbursed at the percentage rate listed on the successful application form for eligible expenditure submitted until the approved grant amount has been reached.
- 9.6 Grant payments will be made directly to the grant recipients business's bank account using details supplied as part of the grant application process. Grant payments will not be made to third parties.

## 10. MONITORING & OUTPUTS

- 10.1 Upon submission of the final financial grant claim by the grant recipient, the Business Growth Team will arrange a verification visit verify the expenditure, this may include taking photographs of the new equipment or area for example.
- 10.2 With all outcome monitoring businesses must email the Business Growth Team a copy of the requested information demonstrating outcomes achieved. Failure to provide this information or failure to comply with the reporting process may result in grant monies paid being reclaimed by Sandwell Council.
- 10.3 All grant applications must attempt to lead to the growth of the business, including the creation of jobs lasting a minimum of 12 months or more
- 10.4 It is expected for new jobs to be created within 6 months from the date of receiving the grant award. The anticipated grant to job ratio is £10,000 grant to 1 job created.
- 10.5 For job creation output monitoring purposes, the grant recipient must return the job created letter template on company letter head provided by Sandwell Business Growth Team. If job creation has been delayed or not been possible for a particular reason, please contact Sandwell Business Growth Team to be discussed further.



## 11. GRANT PUBLICITY

- 11.1 The grant programme is available to support local SMEs and is funded by the UK Shared Prosperity Fund. A condition of receiving the grant support is that recipients co-operate with the council on grant publicity. This may be through delivering certain social media or website posts, or by promoting the council logo and the government funders logo. Sandwell Council will provide grant recipients with the relevant logos and branding.
- 11.2 If a grant funded project includes funding to produce marketing materials (brochures, websites, advertisements, newsletters etc.) then the materials must acknowledge the source of the grant funding within any items produced and follow the UK Government Branding Manual guidance:
- <https://gcs.civilservice.gov.uk/guidance/marketing/branding-guidelines/>
- 11.3 If it is found that a grant recipient business has not adhered to the branding requirements there is a risk that the grant funding may be withdrawn, or where grant funding has already been paid it may then be reclaimed.
- 11.4 Sandwell Council expect to approve media content associated to the grant funded project prior to publication or posting any media to ensure continued grant compliance.

## 12. DECISION MAKING PROCESS

- 12.1 Grant applications will be appraised by Sandwell Council and applicants will be notified of the decision via the online portal.
- 12.2 Payments will be made direct to the business bank account stated on the application once the required evidence has been provided.
- 12.3 Grant recipients will be contacted in due course regarding providing evidence under the contracted outputs.
- 12.4 The grant funding scheme does not allow for any formal right of appeal and all decisions are final.

## 13. OVERPAYMENT & FRAUD

- 13.1 Sandwell Council will seek to recover all grant found to be erroneously claimed.
- 13.2 Sandwell Council is committed to identifying and subsequently investigating suspected fraudulent claims made under this grant funding scheme and grant recipient businesses who falsely declare their circumstances will face prosecution.