

Business Development & Diversification Fund Guidance



Business Development and Diversification Fund Guidance April 2021

In response to the challenges to businesses brought about by Covid-19, Leicester City Council has set up a £300k Business Development & Diversification Grant as part of the citywide recovery plan. This grant is funded by the Assisted Restrictions Grant (ARG).

The fund offer small grants of up to £3,000 to businesses within the Leicester City Council area, who are trading in Leicester but due to the issues faced by covid-19 are looking to develop or diversify their current business and/or enable safer working practices.

The Fund will be overseen by Leicester City Council.

The following guidelines are made in good faith based on the current information we have available from Central Government. We reserve the right to make changes as and when these guidelines develop and will keep you informed of the process.

1. Who can apply?

- Businesses in an area governed by Leicester City Council (City Centre and Neighbourhoods) who are small to medium sized enterprises (under 250 FTE employees).
- Needs to have been actively trading since 1st December 2020 and still trading as at the time of application submission.
- Have previously not received the Small Business Recovery Grant (previously) managed via the LLEP Business Growth Hub. Max value was £3k.
- Businesses need to clearly demonstrate in detail the impact that COVID-19 has had on their business such as:
 - Loss of income
 - Lost / reduced customer base
 - Changes to working practices (e.g. temporary closure of business premises, increased remote working, etc.)
 - Reduced workforce (e.g. furloughed staff, redundancies, etc.)
 - Disruption to supply chain, for example an inability to source materials from suppliers

2. How much can I apply for?

The maximum grant award is £3,000.

3. When can I apply?

The fund is open now and will close on the 30th April 2021. Applications received after this date will not be considered.

Please ensure along with the application form you submit a fully detailed and itemised quote(s) for all goods / services you are looking to purchase. These must be from verified / established companies and whose main business is the supply of these goods or services. We regret but we are unable to accept quotes from Ebay or similar websites; or third party organisations or intermediaries or organisations that have a conflict of interest with the business applying.

4. What can the grant be spent on?

The revenue grant can only be spent on the following type of activity:

- 1-2-1 specialist advice to address their immediate needs in response to the impact of COVID-19, e.g. HR, accountants, legal, marketing, financial, H&S, IT / digital or sector specialists etc. and / or
- purchase of minor equipment to adapt business processes to the impact of COVID-19 particularly in relation to health and safety/ cleanliness/ social distancing requirements, e.g. wash station, disinfectant fogging machine; hands free thermometer; and/ or
- new technology enabling the business to continue delivering business activity or diversify in response to COVID-19, for example developing online/ e-commerce platforms, contactless payment systems, websites, software development, 'click and collect' services.

These costs/ activities need to be new to the organisation and not ongoing revenue costs (such as staff costs, recoverable VAT, rental costs, etc)

5. How do I apply?

Please complete **application form below**. Following submission of your application, you will receive a confirmation of receipt. All applications will then be checked for completeness and eligibility against the guidelines. If your application is incomplete or ineligible it will be rejected and we will send you an e-mail outlining the reason(s). We regret that we are unable to progress incomplete or ineligible applications.

6. Assessment / decision-making process

Your application will be assessed by the Evaluation Panel who will review aspects such as demonstration of COVID-19 impact on the business, eligibility of proposed activities, proposed expenditure that supports the development/ diversification of the business following the impact of COVID-19. All applications will have due diligence checks as part of the application assessment process to ensure compliance. This will include aspects such as company status, financial details, trading history etc.

We expect a high demand for this fund and regrettably will only be able to support a proportion of the applications we receive. Grants will be awarded on a first come first served basis based on the date of receipt of a fully completed and eligible application until the available funding is committed.

If your application is successful, we will send you a standard funding agreement, together with any specific conditions relating to your award. Once this agreement has been signed by both parties payment will be released for the amount approved. After you have purchased the goods/services you will be required to submit copies of the evidence of eligible expenditure.

The Council reserves the right to clawback grant payments from businesses if the terms of the grant award have not been complied with. If your application is unsuccessful we will send you a written confirmation of this. There will be a no appeals process and the decision of the grant panel is final.