

Grants & Loans Factsheet

Provided by the Business Intelligence & Advice Team

Enterprise Finance Guarantee

Offers a means of obtaining finance for small businesses that cannot otherwise do so by providing a Government guarantee against default by borrowers, the scheme enables banks and other financial institutions to lend money for projects which would otherwise present too great a financial risk.

The Department of Business, Enterprise & Regulatory Reform (BERR) guarantees 75% of loans up to £1,000,000 with banks covering the remaining 25%. It can also be used to convert existing overdrafts into loans to enable businesses to free up their current overdraft facilities to meet working capital demands. The loan is repayable over a period of up to ten years and a premium of two percent per year is charged by BERR on the outstanding amount on the loan. As with any other approach to financial institutions it is essential that any case is supported by detailed information in the form of a business plan. Businesses must demonstrate to the lender that they have a viable business in the longer term.

To be eligible you must be a UK business with a turnover of no more than £25 million seeking loans of £1,000 through to £1 million. Eligible activities are most types of businesses involving tradable goods and services. These include manufacturers, construction and most service industries but excludes agriculture & fisheries, shipbuilding and steel.

For further information contact Business Link Tel: 0845 600 9 006

Contact for applications: High street banks

Capitalise Business Support

Capitalise Business Support Ltd is a not for profit organisation supporting new and existing businesses in East Sussex and West Sussex. A subsidiary of 1066 Enterprise they provide business loans in the range of £100 to £20,000 through the Community Development Finance Institution to new start-ups, existing SME's or social enterprise. In addition to the loan a business mentor is assigned to the borrower to provide support and advice.

Further Terms & Conditions include:

- Applicants must live or work in East Sussex or West Sussex
- Repayment periods will be in the range of six months to five years
- Have been refused a loan application by one financial institutions e.g. Bank

**Contact for applications: Sean Hook, Capitalise Business Support Ltd, Summerfields Business Centre, Bohemia Road, Hastings, East Sussex, TN34 1UT
Tel: 0845 601 8326 Fax: 01424 205501 Website: www.capitalise.org**



The Prince's Trust – Business Programme

Provides low interest loans to young people aged 18-30 who want to start up their own business. To be eligible you must be working less than 16 hours per week & unable to get funding from financial sources. The average loan size is £2,200 & can be used for minimum essential pre-start costs (e.g. stock, materials, equipment etc) but not for training. As part of the package support is also provided by a volunteer business mentor.

Discretionary test marketing grants & small grants for those The Trust considers particularly disadvantaged are also available.

Contact for applications: Adrian Tindley, Programme Manager – Brighton & Hove, The Prince's Trust - Business, Tim Jones House, Rochester Gardens, Hove, BN3 3AW Tel: 01273 723399
Website - www.princes-trust.org.uk

Livewire

Livewire is a programme supported nationally by Shell UK to help young people aged between 16 and 30 years start their own business. Through a network of co-ordinators and advisers it offers help putting together a business plan, business start up awards, and post start up guidance.

Contact for applications: Livewire, Hawthorn House, Forth Banks, Newcastle upon Tyne, NE1 3SG Tel: 0845 757 3252 Website - www.shell-livewire.org

Royal British Legion: Small Business Advisory Service & Loan Scheme

The Legion's Small Business Loan Scheme will consider applications from Service leavers or un-employed ex-Service people eligible for Ordinary membership of The Royal British Legion requiring financial help to start their business. The amount of the loan is up to £5000 and the loan term will be up to three years interest free, but there is an administrative charge and security fee. Applicants in the first instance should apply for a small business starter pack from the address below.

Contact for applications: Small Business Advisory Officer, The Cottage, Ordnance Road, Tidworth, Wiltshire, SP9 7QD Tel: 01980 847753 Fax: 01980 847734

South East Community Loan Fund

This fund is available to registered charities, who have been unable to access funding from commercial sources such as a bank. Applicants can access between £10,000 and £100,000 for capital equipment costs, property purchases and refurbishment, working capital and bridging finance. The terms for the loan include:

- Repayment period of up to 10 years, for social and community enterprises
- Repayment charge of 3-4% above the bank base rate
- An arrangement fee of 1.5%-2%
- Security will be used where available

Contact for charities: South East Local Investment Fund, Tel: 020 7680 1028,
Email: information@tselself.org.uk Web: www.tselself.org.uk

Fredericks Foundation

The Fredericks Foundation is a charity providing support to disadvantaged people who are looking to start up their own business. They offer repayable loans of up to £5,000 to start-ups who have been refused a loan application by a financial institution such as a bank.

They focus their support on four groups of people:

- Financial Hardship
- Unemployed
- Single parents
- Ex-offenders

**Contact for applications: Fredericks Foundation, Fredericks House,
39 Guildford Road, Light Water, Surrey, GU18 5SA**

Tel: 01276 472722 Fax: 01276 472005 Website: www.fredericksfoundation.org

Grant For Business Investment (GBI)

The Grant For Business Investment scheme is a government grant initiative for businesses which serve (or plan to serve) more than a local market. The local Regional Development Agency (SEEDA) administers the grant in the South East.

The scheme provides up to 20% grant funding for the acquisition of key assets such as building, machinery or capital equipment in projects which will result in gains in productivity through expansion of the business which includes job creation or safeguarding existing ones. This scheme is open to businesses that are:

- Generally manufacturing or business to business based.
- Based in East or West Sussex.

Minimum grant awarded is £10,000. For medium sized businesses (over 49 employees) grant funding is up to 10%. All grants are paid in arrears, in installments against expenditure that is paid away.

**Contact for further information: Business Intelligence Team, Business Link,
Greenacre Court, Station Road, Burgess Hill, West Sussex, RH15 9DS**

Tel: 0845 600 9 006 Email: info@businesslinksussex.co.uk

Research & Development / Innovation

The Grant for Research & Development

The Grant for R&D is BERR's package of financial support helping individuals, small and medium-sized businesses develop technologically innovative products and processes. The local Regional Development Agency (SEEDA) administers the grant in the South East. The currently available schemes are:

Micro Projects

Grants of 50% of eligible project costs, to a maximum of £20,000, are available to help individuals and micro firms (under ten employees) with the development of low cost prototypes of products and processes involving technical advances and/or novelty.

Research Projects

Grants of 60% of eligible project costs to a maximum of £100,000, for individuals and firms of under 50 employees undertaking experimental groundwork to test the feasibility of innovative technology.

Development Projects

Grants of 35% of eligible project costs, to a maximum of £250,000, to firms of under 250 employees undertaking development projects.

Exceptional Development Projects

Grants of up to 35% of eligible project costs to a maximum of £500,000, to firms of under 250 employees undertaking development of high cost technologies of strategic importance to UK industry.

**Contact for further information: Business Intelligence Team, Business Link,
Greenacre Court, Station Road, Burgess Hill, West Sussex, RH15 9DS
Tel: 0845 600 9 006 Email: info@businesslinksussex.co.uk**

Knowledge Transfer Partnerships

Helps companies to access and apply knowledge gained from a higher or further education establishment to its products or business processes. Projects can vary from one to three years long, and knowledge transfer is effected through an associate working within the company. The associate, who is employed by the educational establishment, has his/her costs part supported by the scheme.

Contact: Dr Mark Jones, University of Brighton Tel: 01273 642305 Web: www.brighton.ac.uk/ctc

Knowledge Transfer Networks

Knowledge Transfer Networks are being set up in certain areas of technology to enable organisations to network together. The costs of managing the network are met by BERR.

**Contact for information: BERR - Tel: 020 7215 5000
Website : www.berr.gov.uk**

Collaborative Research & Development

Provides financial support to enable a group of organisations to undertake collaborative R&D. The grant can cover up to 75% of the project costs. Only certain areas of technology are supported, and calls for proposals are issued in April and October.

Contact for information: BERR - Tel: 020 7215 5000 Website : www.berr.gov.uk

European Research Funding (The Seventh Framework)

The seventh framework program funds research and innovation in the areas of science, engineering and technology. The majority of the budget is divided into seven thematic programmes, which are:

- Life sciences, genomics and biotechnology for health
- Information society technologies
- Nanotechnologies, multifunctional materials and new production processes
- Aeronautics and space
- Food quality and safety
- Sustainable development. Global change and ecosystems (including energy and transport research)
- Citizens and governance in a knowledge-based society

A minimum of 15% of the budget of each Thematic Programme is set aside for SME's in the EU.

**Contact for information: www.betatechnology.co.uk - 01302 322633,
www.berr.gov.uk/dius/science/int/euro-programmes/fp7/page8390.html**

Enham

Enham's Business Ability Division provides a free and confidential service, which helps people with disabilities throughout the South East of England, start their own businesses.

Part of this service is their Work Preparation programme which provides funding support to assist with startup costs. This also includes mentoring and help with preparing a business plan.

**Contact for information about the Enham Programme - 01264 345851
www.enham.org.uk/pages/business_ability_selfemployment.html**

**Referrals are made from the Job Centre and you can find your nearest location on:
www.jobcentreplus.gov.uk**

Venture Capital

Private Equity - South East Capital Alliance (SECA)

This South East Regional Business Angel network provides a link between private investors and high-growth businesses seeking equity investment. The network is sponsored by Business Link Sussex, Business Link Surrey, Business Link Kent and the Sussex Innovation Centre. It is managed by Finance South East Ltd.

Businesses that have been through the investment readiness process may be invited to make presentations to investor groups at bi-monthly SECA meetings. A presentation fee and success fees are charged. Companies interested in seeking equity investment are invited to submit business plans to Business Link Sussex for review.

Contact for applications: Laurence Thomas, On-line Business Adviser, Business Link, Greenacre Court, Station Road, Burgess Hill, West Sussex, RH15 9DS

The Enterprise Investment Scheme

The Enterprise Investment Scheme allows qualifying unquoted trading companies to raise new equity finance of up to £1 million per tax year. The finance is raised from individuals who may each invest up to £500,000 per tax year and receive tax relief at the basic rate - currently 20% - on the cost of the investment. Provided an investment is held for three years (five years if it was invested prior to 6th April 2000), it is exempt from capital gains tax when sold. Loss relief is available to investors, against other taxable income or capital gains, should the investment fail or be realised at a loss. The relief is at an investor's highest rate of tax, currently 40%. An investor previously unconnected with a company may become a paid director, encouraging investment by 'business angels' who may also be able to provide substantial business experience.

Contact: Business Intelligence & Advice Team Business Link 0845 600 9 006

Finance South East Commercialisation Fund

The Commercialisation Fund provides repayable finance to small and medium-sized enterprises for proof of concept and commercialisation activities that enable a new business idea to gain first revenue and market traction.

The Fund offers two 'phases' of investment - the first is dedicated to ventures with a proof-of-concept requirement and the second is dedicated to ventures seeking finance for later-stage commercialisation work leading to market entry. Each phase offers funds up to a maximum of £30,000, or up to £60,000 to cover both phases.

The Commercialisation Fund is a contingently repayable award. It will typically recover its investment via repayments based on revenues generated through the successful commercialisation or exploitation of the product or service. The total amount repayable will be at least 150% (but may be up to 200%) of the funds invested, capped at a maximum seven year period. No further repayments will be due after the end of the 7 year period.

Contact for applications: Laurence Thomas, On-line Business Adviser, Business Link, Greenacre Court, Station Road, Burgess Hill, West Sussex, RH15 9DS

The Aspire Fund

The Aspire Fund is a £25m equity initiative for women-led businesses jointly funded by the government and the private sector. The fund will focus in particular on support, guidance and investment readiness assistance to help strengthen the funding propositions from women entrepreneurs. Working through a network of investment readiness providers and programmes, female entrepreneurs will be directed to the fund's investment partners. Aspire is aimed at high-growth businesses seeking an investment of between £100,000 and £2 million to help finance growth.

Contact for further information: Business Intelligence, Business Link, Greenacre Court, Station Road, Burgess Hill, West Sussex, RH15 9DS Tel: 0845 600 9 006

The Accelerator Fund

The Accelerator Fund is a £10m initiative managed by Finance South East Ltd to help provide finance for early-stage growth businesses in the South East. The fund acts as mezzanine finance (risk finance) that fills the gap between traditional debt and equity funding. It can act as a stand alone funding source or form part of a larger finance package. Typical terms for the fund include:

- Loan amount from £25,000 to £100,000
- Repayment period from three to seven years
- Interest typically about eight percent above base rate but subject to a minimum of six percent above base rate.

**Contact for applications: Laurence Thomas, On-line Business Adviser, Business Link, Greenacre Court, Station Road, Burgess Hill, West Sussex, RH15 9DS
Tel: 0845 600 9 006 Email: laurence.thomas@businesslinksussex.co.uk**

Sustainability

Energy Efficiency Loans

Interest free loans are available from the Carbon Trust for small or medium-sized enterprises (SME's) to replace or upgrade your existing equipment with a more energy efficient version. Loans are available from £5,000 to £200,000 which are unsecured, interest free and are repayable over a period of up to four years.

Businesses will need to have been trading for at least 12 months before applying and have an acceptable credit rating. Business sectors including Agriculture, Transport, Coal and Export Related activities are excluded under EU de minimis State Aid rules

**Contact: Carbon Trust, 8th Floor, 3 St Clement's Inn, London, WC2A 2AZ.
Tel: 0800 085 2005, Website - www.carbontrust.co.uk/energy/takingaction/loans.htm**

Training & Employment

Career Development Loans

Available to individuals who require financial assistance to undertake vocational training. Loans of between £300 and £8,000 are available if:

- You live or intend to train in the UK
- You are over 18 years old and not receiving a mandatory grant or full discretionary award for training or education
- You will work in the EC after the course
- The course is suitable for the work you want to do and lasts up to two years.

The loans are available for up to 80% of course fees, plus books, materials and other course expenses, and in some cases living expenses if you are on a full-time course. The Learning and Skills Council (LSC) will pay the interest due on the loan for the duration of the course and for up to one month afterwards. It's up to borrowers to repay the loan plus any further interest in installments. You may train full-time or part-time or use open learning.

**Contact for further information: Business Intelligence Team, Business Link,
Greenacre Court, Station Road, Burgess Hill, West Sussex, RH15 9DS
Tel: 0845 600 9 006 Email: info@businesslinksussex.co.uk**

The STEP Programme for undergraduates – how you can profit from their experience

This programme is a work placement scheme designed to help small businesses utilise the skills of local undergraduates.

**Contact: Patsy Sutcliffe, Sussex Innovation Centre Tel 01273 704404 Website - www.sinc.co.uk -
Sussex Innovation Centre or www.step.org.uk - STEP Website**

International

There is a range of services available from Business Link in conjunction with UK Trade & Investment (the export service of BERR) to assist new and experienced exporters. Some of these include funding as part of a package. Grants from UK Trade & Investment are also available for participants on their inward and outward trade missions and for certain overseas trade fairs.

Further details and an information sheet on the range of International Trade Services offered by Business Link can be obtained from the Business Intelligence & Advice Team on 0845 600 9 006

Chichester District Council

Chichester District Council is offering grants to assist business in the Chichester District:

Small Business Rent Support

Businesses employing up to 10 staff, and who are proposing to become established or are in the early stages of trading can access support to find appropriate accommodation on terms which will support their business growth in the Chichester District.

The scheme therefore provides for the making of a contribution by Chichester District Council to the firm's overhead costs, by the accommodation of the business in premises owned and identified by the Council for that purpose at a rental cost which will be discounted below the established market rate for such accommodation. The subsidy will be in the form of a sliding scale of reduction in rental over a 2-year period at the end of which the occupant will be required to pay a market level rent or vacate to premises elsewhere on the market.

To be eligible businesses must:

- Wishes to trade or continue trading in Chichester District
- Prepare to enter into the appropriate lease with the council
- Occupy suitable available premises in the Council Ownership
- Be acquiring business premises for the first time
- Relates to light industry or other uses acceptable to the Council as landlord (excluding car repair workshops and associated trades).

Contact for applications: Chichester District Council - Business Tel: 01243 534669

Email: business.support@chichester.gov.uk

Grant for Village Shops

This scheme provides a grant of up to £5,000 to support improvements to Village Shops in the Chichester area and assist towards their long-term sustainability.

Contact for applications: Chichester District Council - Business Tel: 01243 534669

Email: business.support@chichester.gov.uk

Business Link Business Support Directory

To find out more on support schemes offered by the BERR and other government agencies you can access online the business support directory through the national Business Link website. The directory has now been expanded to include grants from non-government sources. SME businesses can use this to find out what's available in the South East of England.

Website: www.businesslink.gov.uk/support - Business Support Directory