

## East Sussex County Council Business Growth Funding East Sussex Invest 7

The **East Sussex Invest 7** fund is an East Sussex County Council (ESCC) and Regional Growth Fund (RGF) programme to support the local economy and create jobs. It is delivered by the County Council in partnership with Locate East Sussex (LES). Businesses must have applied for all CV19 government support available to them prior to applying for this fund.

*During the CV19 crises the fund is only available to businesses that are trading or about to reopen.*

**Loans from £10k to £200k** - Loans require minimum match funding of 50% and have an arrangement fee of £400 (up to £20k) or £500 (over £20k) which is paid to the Let's Do Business Group who administer the payments. *Loans of £50k and over usually require a Directors Guarantee or Charge.*

**Grants from £10k to £25k** only in conjunction with a loan for projects that create jobs. 60% match funding required.

There is an additional grant of £1.5k for a **new accredited apprentice** position. This is a one-off payment with no match or evidence of spend required; it is limited to one per successful application.

### Eligibility Criteria

- Micro, Small and Medium (SME) businesses (under 250 employees), and start-ups.
- Charities and Social Enterprises are eligible if more than 50% of their turnover is from trading.
- Capital expenditure items only are eligible, these include; building works to upgrade or extend the premises, fixtures and fittings, machinery, equipment, software (purchase and development), marketing drives, targeted consultancy, specialist training. Excludes property or land acquisition and all revenue.
- **Ratio of loan funds** to jobs created is £16k per FTE job created or £12k for FTE job reinstated.
- **Ratio of Grant Funds** to jobs created is £8k per FTE job created.
- Jobs must be full or part-time permanent contracts. A full-time job must be a minimum of 30 hours per week. Two part-time jobs can count as one FTE job. Apprenticeship positions do not count as jobs created.
- Education, Healthcare and Residential Care services are excluded.
- This fund will not support the displacement of jobs or businesses; therefore, local retail and service sector funding will *normally* be restricted to a maximum loan of £20,000.

- Priority growth\* sectors as identified in the East Sussex Growth Strategy are targeted and prioritised. (see below for details)
- In exceptional circumstances part of the loan can be converted to a grant at the discretion of the County Council.

### **Payment conditions**

- The Loan payment can be drawn down either on evidence of spend to the value of the loan and evidence of match available or in the cases of large building projects the signing of a construction contract and evidence of start on site. This is usually made in a single payment.
- Maximum loan period 5 years.
- Interest rates of up to 5% decided on a case by case basis as recommended by the panel.
- In some circumstances up to 6 months repayment and interest holiday may be offered.
- Retrospective funding is NOT allowed (for funding or match)
- The contracts include an immediate repayment clause in instances of contract deviation or where a beneficiary moves the business out of East Sussex or there is a transfer of control or ownership.

### **Funding process**

- To check eligibility for funding and to request an application form email your contact details to Locate East Sussex at [enquiries@locateeastsussex.org.uk](mailto:enquiries@locateeastsussex.org.uk).
- All applications for funding must be submitted by email to the ESCC Business Funding Team copying in Locate East Sussex at the above address - [economicintervention.fund@eastsussex.gov.uk](mailto:economicintervention.fund@eastsussex.gov.uk).
- Permission for credit checks must be given and will be carried out during the appraisal. Incomplete or unsigned application forms will not be accepted for appraisal; this includes all required supporting documents and evidence.
- Applications will be appraised by ESCC Business Funding Team and considered by the ESCC Grants and Loans panel virtually. There are currently no fixed panel dates and applications will be appraised and go to virtual panel within 10 to 15 working days of receipt. This will be reviewed in September when quarterly date may be reintroduced.
- The panel recommendations are sent to the Director of Communities Economy and Transport for final decision. Successful applicants will receive an offer letter by email; the date of which is deemed to be the 'Offer Date' from which all qualifying spend is eligible.
- Unsuccessful applicants will be notified and a rationale for rejection given. There is no appeals process, but applicants can re-apply if they address the reasons given for rejection. All qualifying ESCC business funding applications are subject to Panel recommendations and Director level approval.
- Following the Offer letter acceptance the Business Funding team will draw up a funding contract for signing. From offer date to signed contract takes between 3 and 6 weeks after which claims can be made.
- A separate loan agreement will be drawn up between the Let's Do Business Group (LDBG) and the beneficiary reflecting the terms in the contract.

- Loan drawdown claims are made on a claim form sent to the Business Funding Team who will instruct LDBG when the loan conditions have been met to authorise payment.
- All loan payments will be made by and to the Let's Do Business Group who are the County Council's loan management organisation for this fund.

**Apprentices** – An additional £1,500 grant can be claimed if a successful applicant takes on an accredited apprentice who remains in post for 6 months (requires evidence that the appointment was made after the Offer Date). This does not require match and is a one-off payment without restrictions. This option is only open to businesses that receive funding from this fund and is limited to one apprentice per business.

If you have any questions please contact [enquiries@locateeastsussex.org.uk](mailto:enquiries@locateeastsussex.org.uk)

**\* Priority Sectors**

- Land-Management –e.g. developing specialist, high added-value food and drink production, including brewing and viticulture.
- Digital and media - in particular digital related innovation, telehealth and telecare.
- Advanced Manufacturing
- Advanced Materials & Electronic Systems
- Low\_carbon & environmental goods and services

**\*\* Sectoral restrictions**

State Aid rules restrict firms active in the following sectors:

- Fisheries and aquaculture (Maximum Euros 30,000 of support)
- Primary production processing and marketing of agricultural products
- Coal, Steel production, Shipbuilding and Synthetic fibres
- Road haulage sector, restrictions apply.

**Local retail and other consumer services restricted to maximum of £20k loan these are:**

- Local consumer-type activities such as retail, personal services, leisure activities, restaurants and food and drink outlets and professional services.

For further information contact: [enquiries@Locateeastsussex.org.uk](mailto:enquiries@Locateeastsussex.org.uk)

Or [EconomicIntervention.fund@eastsussex.gov.uk](mailto:EconomicIntervention.fund@eastsussex.gov.uk)

