



South Cambridgeshire District Council:

National Lockdown Business Support Policy

Growth Fund (Additional Restrictions Support Grant Tranche 2)

Version	1.0
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Approved by	Liz Watts (Chief Executive)
Approval date	29 th June 2021
Publication date	1 st July 2021
Date of next review	As required



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Introduction

In November 2020, central government provided £4,594,889 to South Cambridgeshire District Council (SCDC) as part of our Additional Restrictions Grant fund allocation (ARG). This was a fund for local businesses facing financial difficulties due to regional and national lockdowns, particularly those who had been ineligible for the main Local Restrictions Support Grant (LRSG) and Restart grants. These were businesses who had not been mandated to close, but who remained impacted by Covid restrictions (for example, supply chain or ancillary businesses to those mandated to close).

In late December 2020/January 2021, the Secretary for Business, pledged a top-up to the ARG fund to each local authority, subject to their existing ARG fund being fully utilised by 30th June 2021. SCDC has now met this condition, which will result in an indicative top up amount of £1,350,000 becoming available. The Council will use this to champion and support growth within the district in line with the 'restart' mentality advocated from central government.

This policy sets out how SCDC will deliver this tranche of ARG and provides details of the support to be administered to businesses from **1st July 2021**. The grant will be delivered as a Growth Fund that aims to support local businesses who are looking to scale and grow within the region post-pandemic.

Growth Fund (Additional Restrictions Support Grant Tranche 2) Details

The South Cambridgeshire Growth Fund offers a share of £1,350,000 to support South Cambridgeshire businesses operating in and from the district who have ambitious plans to scale or grow and create new jobs within our region. The scheme is open to applications from micro, small and medium businesses (SMEs) from any industry and sector, including start-ups (launched during the pandemic), through to the more established local companies looking to expand in the area.

The Growth Fund will open for applications on **1st July 2021**. Priority applicants will include those who have not previously received government backed (Covid-19 related) funding. This is a one-off grant between **£1,000 to a maximum of £50,000** that will be awarded to eligible applicants.



Applicants must:

- Be South Cambridgeshire based start-ups since/during the pandemic who are looking to scale and grow quickly within the region,
- Or
- Be established South Cambridgeshire based companies who can demonstrate evidence of ambitious expansion/growth plans within the district specifically.
 - Eligible businesses are sole traders, partnerships, small and medium sized enterprises located in South Cambridgeshire.

SCDC is keen to support businesses from all sectors that may have had growth ambitions curtailed as a result of pandemic restrictions, particularly those operating in sectors who were not eligible for the Restart Grant scheme. This may include, but is not limited to (as per government guidance):

- Group travel and tour operators
- Other tourism businesses (including B&Bs and event industry suppliers)
- Wholesalers
- English language schools
- Breweries
- Freelance and mobile businesses (including caterers, events, hair, beauty and wedding related businesses)
- Wraparound care providers
- Businesses who can demonstrate a clear commitment to Net Zero and a green approach to their business model(s)
- All other businesses who may not have received grant funding

Core Competencies of Grant Recipients:

Grant recipients will be required to demonstrate the following core competencies:

- A clearly innovative and ambitious business plan for growth



- Evidence of how any funding received would be used (for example to create a new revenue stream, product, service, intellectual property etc.)
- Where applicable, evidence of how any funding received would create jobs, apprenticeships or traineeships in South Cambridgeshire specifically (including FTE headcount projections)
- Clarity on how any funds received may be used to navigate changing market conditions such as new modes of consumption or the adoption of new technologies
- Timelines to evidence plans to spend funds for market-ready initiatives within 12 months of receiving support
- Evidence of the applicants' ability to grow
- Overall benefit to South Cambridgeshire and the local economy where possible.

Indicative Award Values:

Projected or actual turnover/sales/revenue	Indicative award values
< £50,000	May receive £2,500
£51,000 - £100,000	May receive £5,000
£101,000 - £200,000	May receive £10,000
£201,000 - £300,000	May receive £15,000
£301,000 - £400,000	May receive £20,000
£401,000 - £500,000	May receive £25,000
£501,000 - £700,000	May receive £35,000
£701,000 - £800,000	May receive £40,000
£801,000 - £900,000	May receive £45,000
£901,000 +	May receive £50,000



These values serve as a guideline only and SCDC reserves the right to award more or less per projected business band depending on the merit of the supporting detail provided within each application. The minimum award available to any successful grant applicant is £1,000 and the maximum award £50,000. As the funds draw to a close, awards will be apportioned based on the remaining funds available. The Council reserves the right to close the scheme at any time and will do so immediately upon 100% fund allocation.

Exclusions:

The following are ineligible for the Growth Fund:

- Businesses that have already received grant payments that equal the maximum permitted levels of subsidy.
- Business intermediaries acting on behalf of other businesses
- Partnerships or businesses with a registered address in South Cambridgeshire but no trading activities within the United Kingdom
- Partnerships that only exist to operate investment funding and other types of finance
- Businesses that are in administration, insolvent or where a striking-off notice has been made
- Those intending to use funding as a wage support mechanism

Application process:

All grants will require an online application form to be completed, which will be published on our website when the scheme is [launched](#).

As part of the application process, grant applicants will be asked to provide the following:

- Established businesses (those trading for 2 years or longer) must submit their last 2 full years of management accounts
- Start-ups must attach their business plan and 3-5 year growth forecasts and/or evidence of current and imminent sales/revenue/client base, including detail of other (seed) funding or grants received and/or to be received imminently



- All applicants must include a supporting statement of up to a maximum of 1,000 words explaining why they should receive a grant (making reference to the bullet points itemised under the ‘core competencies of grant recipients’ section above).

The application process will allow the Council to undertake proportionate pre-payment checks to confirm eligibility relative to the Growth Fund scheme and to allow the appropriate level of grant to be identified.

Applicants will be informed within approximately 4-6 weeks of application receipt as to whether they have been successful, and the value of award granted.

Appeals:

The decision for each application will be decided by the Business Support and Development Manager. If the applicant is dissatisfied with the outcome, they can request a review of the decision. The request should be submitted in writing to businessgrants@scambs.gov.uk within one week of the initial decision and should detail the reasons why a review is considered necessary, providing any additional supporting information required. The review will be undertaken by the Head of Finance who will not have been involved in the previous decision.

Other Key Information:

Grant income received by a business is taxable. The Growth Fund grant (ARG) will need to be included as income within a business tax return. However, only businesses which make an overall profit once grant income is included will be subject to tax.

Anti-fraud measures:

As part of the appraisal of each application, credit checks may be carried out which will include overdue creditors, bankruptcy, county court judgements and director disqualification. The Government will not accept deliberate manipulation and fraud. Any business caught falsifying their



records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.

In addition to pre-payment eligibility checks our Internal Audit team will use government schemes such as the National Fraud Initiative (NFI) to ensure the Council takes reasonable steps in prevention of fraud and error. Data will be shared with the Department of Business, Energy and Industrial Strategy (BEIS) and NFI. Central government will support local authorities to carry out post-event assurance work.