

## **Business Investment Fund (BIF)**

### **Guidance for Business Investment Fund applicants**

#### **1. Introduction**

Business Investment Fund (BIF) Grants are available to existing businesses which can demonstrate an economic benefit within Oxfordshire, provided the applicant business fulfils the necessary criteria and conditions detailed in this document. BIF will offer grants which will range from £5,000 - £24,999, for **capital** projects that deliver tangible outcomes aligned to driving economic recovery, growth, and job creation.

Funding was secured from the Government's Getting Building Fund and will be allocated via a competitive grant application process.

Businesses will need to pre-register for the grant scheme and confirm their eligibility to receive a link to the online application form. The link will be sent to the email address provided at 9am on Monday 14<sup>th</sup> November. The email provided will also be used for all grant communications, including updates on potential 'early closure' of the application window.

Eligible businesses will be invited to submit an online application between 14<sup>th</sup> November – 25<sup>th</sup> November 2022 at 5pm. **The application window will close when £600k worth of applications have been received.** The first £400k of applications will be assessed, the remaining £200k of applications will be on a reserve list and will only be assessed if necessary.

Please note that this is a competitive grant opportunity. Submission of a full application does not guarantee any funding will be awarded.

Full applications will be reviewed and appraised in line with the process set out in these BIF Guidance Notes and we aim to complete this and notify applicants of grant award decisions by 16<sup>th</sup> December 2022.

**All grant claims and evidence of defrayal must have been submitted to OxLEP by 17<sup>th</sup> March 2023 at the latest.**

Please note that due to the anticipated high volume of applications, we will be unable to provide individual feedback.

We strongly advise that you read these BIF Guidance Notes and accompanying FAQs in full. Incomplete applications or those missing important supporting documentation will not be considered.

**Key timings for Full Application Phase**

Activity	Date
Grant Scheme Launch and pre-registration opens	Wednesday 9 <sup>th</sup> November 2022
Grant application window opens	Monday 14 <sup>th</sup> November 9am
<b>Grant application window will close when £600k of applications have been received.</b>	<b>All those who have pre-registered will be notified by email at every £100k of applications received.</b>
Submission deadline for Full Applications	5pm – Friday 25 <sup>th</sup> November
Assessment Period for applications	18 <sup>th</sup> November – 16 <sup>th</sup> December 2022
Applicants informed of final decision	16 <sup>th</sup> December 2022
Grant Funding Agreements issued for review and signature	10 <sup>th</sup> January 2023
Deadline for return of signed Grant Funding Agreements	Within 14 days of receipt – offer will be revoked and funding reallocated if not returned by deadline
Final Applicant claim deadline for submission of all approved project expenses and evidence of spend and defrayal	5pm, 17 <sup>th</sup> March 2023

*\*We cannot guarantee that the online application process will be compatible with mobile technology, so we suggest that you arrange to have access to a laptop or computer to complete the online Application Form. We also suggest that you install the most recent version of your web browser in advance.*

**2. What’s available**

The Business Investment Fund grant pot is £200,000. BIF grants will be awarded in the range of £5,000 - £24,999.

Applications will be viewed more favourably if they clearly offer any of the following potential outcomes / impacts:

- Employment increase or safeguarding in the applicant enterprise
- Support job and apprenticeship placements
- Net Zero transition

- Introduction of products new to the firm or new to the market
- Enterprises safeguarded
- Increase R&D productivity
- Increase export capacity to trade internationally
- Identify/embrace new and emerging markets

Applicants should only offer these outcomes where they are possible and realistic. Grant projects will be paid in arrears, so applicants must be confident that they can cash flow their project pending reimbursement. We will only accept one claim from grant projects, at a pre agreed date. All activity, outcomes, and expenditures should be achieved, reported, and evidenced by 17<sup>th</sup> March 2023.

**Please note:** if you submit your grant claim after this date, we will not be able to pay it.

All grants are awarded as part of the Domestic Subsidy Allowance (DSA) for COVID-19 business support grants. The DSA scheme is covered by 3 subsidy allowances:

- Small Amounts of Financial Assistance Allowance – up to £335,000 (subject to exchange rates) over any period of 3 years. If a company has already received £335,000 of Small Amounts of Financial Assistance (also known as Special Drawing Right (SDR)) or *De Minimis* State Aid within a three-year fiscal period, it will have to rely on one of the other allowances.
- COVID-19 Business Grant Allowance – up to £1,600,000
- COVID-19 Business Grant Special Allowance - if businesses have reached limits under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, they may be able to access a further allowance of funding under these scheme rules of up to £9,000,000

For the avoidance of doubt, provided certain conditions are met, these three allowances can be combined for a potential total allowance of up to £12,235,000 (subject to exchange rates). If in doubt, please talk to an appropriate member of your organisation to check before submitting your application form. This may take the form of other grants or business support received in the past.

### **3. Eligibility**

BIF Grants are for SMEs – small and medium sized enterprises, including sole traders. Applicants who received a BIF grant in the first BIF grant programme (in FY 2021-2) are not eligible to receive another BIF grant in this programme. Applicants who have submitted a Visitor Economy Grant (VEG) application through the scheme currently being assessed may

still be eligible to apply for a BIF Grant. However, applicants will not be able to receive both a VEG grant and a BIF grant.

Having received another OxLEP grant (other than a BIF or VEG Grant) in the past or made a grant application will not affect your ability to be awarded a BIF grant and brings no advantage or disadvantage. We may request further information for all previous public sector support received in the last three years.

### ***Eligibility***

- BIF is only available to businesses that have been trading in Oxfordshire LEP area for at least two full financial years. Companies must have been trading since at least October 2020.
- Your proposal will be delivered in the Oxfordshire LEP area
- Minimum anticipated grant value: £5,000
- Maximum anticipated grant value: £24,999
- **All expenditure must be capitalizable in your business accounts**
- Your enterprise has not received in excess of £335,000 of Small Amounts of Financial Assistance or De Minimis State Aid within a three-year fiscal period
- All project costs need to be defrayed and claimed by 17<sup>th</sup> March 2023

### ***Eligible projects***

Examples of what the grant **CAN** support include capital equipment, renovation or refurbishments that don't require planning permission:

- Investment in and refurbishment of buildings, plant, machinery, and equipment.
- New capital items such as 3-D printers, immersive technology, and AI.
- Digital design and data analytical capability for inventory and supply chain management.
- Software and/or licence costs relating to the above (where these can be capitalised).
- Laboratory space renovation, refurbishment, or equipment.
- Actions to accelerate the adoption of cleantech and to build back greener, e.g., development of EV charging infrastructure, energy systems renewal/replacement (where these cannot be funded elsewhere).
- Retail - structural enhancements, e.g. shop fit-outs.
- EPOS systems- Electronic Point of Sale digital system - computerised system used in shops, restaurants, and other retail outlets.
- Assets that will support connectivity between more than one business.

***Ineligible projects***

Examples of what the grant **CANNOT** support:

- working capital.
- funding for the payment of wage subsidies.
- activities which would contradict, duplicate, or undermine HM Government domestic initiatives.
- VAT payments (other than project costs where VAT cannot be recovered from HMRC or for non-VAT registered businesses).
- Paying off debts or refinancing.
- Purchase of financial investments.
- Any statutory or legislative obligations, duties, or requirements.
- Hire purchases and/or asset finance arrangements.
- “Like-for-like” replacement of obsolete equipment with little or no added value.
- Purchase of vehicles

***Ineligible activities***

Under the UK Subsidy Control Commitments in force from 1<sup>st</sup> January 2021, so elements of activity cannot be supported. Therefore, BIF grants cannot be:

- dependent on export performance – for example linking the grant to a specific export performance
- contingent on the use of domestic content – for example stating that the grant recipient must use a minimum percentage of UK inputs in their product
- provided to a non-viable business, unless that business has a valid plan in place to return the company to viability

Grants **cannot** contribute to projects that are already underway. Any costs incurred after notification of a grant award but before receipt of a Grant Offer Letter are at your own risk and will not necessarily be included (or be eligible to be included) within the grant project total approved cost.

**4. VAT**

VAT is potentially an eligible cost for BIF grant projects; however, this will vary on a case-by-case basis and OxLEP cannot give VAT advice to applicants.

We recommend that you seek VAT advice when drafting your application. It is your responsibility to ensure that VAT is correctly treated within your grant project. Incorrect VAT

treatment could lead to penalties from HMRC and you having to repay the VAT element of the grant that should not have been claimed.

**It is your responsibility to include VAT if you need to claim it. If you do not include eligible VAT at the time of applying, the grant will be awarded based on net costs and VAT cannot be claimed.**

## **5. Procurement**

No single supplier or item of procurement which is part of this project can be above £24,999.

The evidence that you need to provide for all procurement includes:

- Copies of any quotations/screenshots.
- Quotations/screenshots must be clearly identifiable to the supplier and include the supplier's name, a date, price per item to be purchased/procured, if the amount is inclusive or exclusive of VAT and (where possible) the supplier letterhead/logo.

## **6. Application Process**

The online application form does not have a save function, so must be completed in one session. We will provide videos to guide you through the form and a Word template which you can use to draft your answers to then copy and paste into the portal.

Uploads / attachments have a maximum 50-character filename limit, please ensure file names are 50 characters or less.

Only one submission is allowed and at the point you submit your application it will drop into the rolling assessment process.

All applications will be treated fairly and consistently. We aim to inform applicants by 16<sup>th</sup> December 2022, whether their application has been successful. Applicants will be advised as early as possible if there is likely to be a delay.

Applications will be assessed based on their answers to the prescribed questions (see Section 8 below) by OxLEP. Assessors will be scoring based on how comprehensive the answers are as follows:

<b>Score</b>	<b>Definition</b>
<b>9 - 10</b>	Excellent – answer provided exceeds the requirements in all areas with a high degree of added value from public funding. Comprehensive response with no or minor weaknesses identifiable.
<b>7 - 8</b>	Good – answer provided meets all the requirements and may exceed in a few areas, with some degree of added value. Reasonably comprehensive response with few weaknesses identified and these are not significant or material
<b>5 - 6</b>	Adequate - answer provided meets most or all the requirements but does not exceed them, with minimal added value. Response includes some weaknesses, but these are not material
<b>3 - 4</b>	Poor - answer provided does not meet some of the requirements and does not exceed them. No added value. Response includes significant weaknesses
<b>1 - 2</b>	Very poor - answer provided does not meet most of the requirements and does not exceed them. No added value. Response includes significant material weaknesses

A shortlist of applications will be passed to the BIF Grant Panel to select approved applications within the budget available. Shortlisting will be based on submissions that pass due diligence at the full application stage and one of the following approaches, depending on the number and quality of applications received:

- Either the highest scoring 1/3 of applications
- Or all applications which receive a score of 60% or higher
- Or the top scoring applications covering 125% of the value of the available BIF grant pot

The objective is to ensure that the Grant Panel is a competitive and selective process and does not rubber stamp the shortlist. If applications are not of sufficient quality the Grant Panel may choose not to commit the full BIF grant pot.

The BIF Grant Panel is composed of representatives from OxLEP and wider Oxfordshire organisations. Any applicant found to have attempted to unduly influence a Panel Member by contacting them to discuss an application will be disqualified from the process. It is

crucial to ensure that grants are processed and awarded in a fair and transparent way and that no applicant has an advantage over any other.

## **7. Notes to assist with completing the Application Form**

A word document template has been produced to support you in developing your application offline, before completing the online form.

For items exceeding £5,000 you will be asked to justify why you have selected a specific supplier and how they contribute value for money. We require a formal quote for each item being included in your project requirements.

You will also be required to complete a Declarations section including Subsidy Control Commitments, Insolvency, Conflict of Interests, Sharing Consent and Data Processing.

Complete all information required via the online application form and attach any supplementary information requested to support your submission. Ensure you have answered all questions as fully as possible. Incomplete submissions will not be considered.

If you have a disability which you believe will affect your ability to complete this online application process, then please email the team to discuss your options at:

[BusinessInvestmentFund@oxfordshirelep.com](mailto:BusinessInvestmentFund@oxfordshirelep.com).





**8. Scoring criteria:**

Full Applications will be assessed using the following criteria:

Question	Applicant guidance / questions to cover	Max score	Weighting
<b>Grant Project and Delivery</b> <i>(1,000 words maximum)</i>	What is your proposed grant project? What are the objectives of the proposed grant project? How will the project be implemented and managed? How will you spend the funds?	10	30
<b>Impact of the grant on your business</b> <i>(500 words maximum)</i>	Select from the dropdown list which Business Investment Fund outcomes / impacts your project will address (see Section 2 above for the list). How does your project meet each of the outcomes / impacts that you have selected? To what extent will the grant help to mitigate the impacts of Covid-19 on the business and enable sustainable growth? To what extent will the project support the creation of new jobs and/or the safeguarding of existing jobs?	10	25
<b>Impact of the grant on the wider economy</b> <i>(500 words maximum)</i>	How will the project impact Oxfordshire? What benefits are there to the local economy? What benefits are there to the wider economy?	10	25
<b>Value for money / added value</b> <i>(250 words maximum)</i>	How does your project offer value for money for the public investment? How are you ensuring that your project is cost effective? What is the added value of the investment? What are your financial forecasts? What would happen without the grant?	10	20

The BIF Grant Panel will focus on assessing the following questions:

- *What are the overall benefits and impacts of the project on the business?*
- *How will the project deliver tangible outcomes aligned to driving economic recovery, growth and job creation in Oxfordshire?*
- *What are the benefits for the wider economy?*

## **9. Nature of grant offer**

The BIF Grant Funding Agreement is time limited and will expire 14 days after the date it is issued to the Applicant. It is your responsibility to ensure that the Grant Funding Agreement is signed and returned to the BIF team within the deadline.

Grant Funding Agreements will be sent to successful applicants via Adobe Sign. Adobe Sign will eliminate the need for businesses to print and scan physical pages and will automatically return a copy of the signed document to both the BIF Team and the business once the signature is complete.

Please note that the Grant Funding Agreement **MUST** be signed by a current Director of the business who is authorised to do so by the company.

If you are successful in being awarded a BIF grant, you will be expected to:

- Provide all evidence required to process and verify the grant application and subsequent claims.
- Provide all evidence as set out on the 'BIF Impact Declaration Form' to supply details of any programme outputs achieved as a result of the funding.
- Co-operate, if requested, to promote and publicise success stories in the form of press releases, case studies, Freedom of Information Act requests or other communications unless there are clear reasons not to (for example, confidentiality around commercial issues, intellectual property or patents etc.)
- Participate in any evaluation activities by the BIF Programme Team, the funding body and the external evaluator.
- Maintain an asset register of all approved, funded items.

**10. Making your grant claim**

Any grant that is approved is only for the purpose stated in the Grant Funding Agreement.

Should the circumstances on which a grant application was based change, you must contact the BIF Team to discuss before committing to making any payments. This may include, but is not limited to, a change of expected completion date, change of supplier, change to the project value, expected project outcomes, or cancellation of the project. If you are in any doubt, please contact the BIF Team to discuss.

Grants should be claimed in line with the deadline stated in your Grant Offer Letter. Please note that only one grant claim is allowed. The final deadline for all claims is 17<sup>th</sup> March 2023.

For all expenditure on your project, you will need to meet the regulatory audit trail requirements including evidence of defrayal (monies leaving your bank account). This would include a copy of any supplier invoice(s) and proof of payment, namely a redacted business bank statement showing the relevant payment(s). Payment of supplier invoices cannot be made by cash or contra arrangements.

**11. Impact Deliverables**

In the Full Application Form, you will need to provide details of any Impact Deliverables (i.e. new products to the firm or market, or employment increase or safeguarding) to be achieved. See Section 2 for the list of potential outcomes / impacts you may wish to cite.

Once you have claimed your grant, we will provide you with a 'BIF Impact Declaration Form' which you must use to confirm the details of the impacts achieved.

Applications which offer impact deliverables will score more highly than those which do not. However, you must ensure that any deliverables promised are realistic as these are commitments not aspirations and we reserve the right to claim the grant funding back from you if you do not achieve the impact deliverables.

If you experience difficulties in creating the impact deliverables as outlined in the Grant Offer Letter, please contact us at your earliest convenience so that we can understand and discuss the options in relation to the grant payment.

## **12. Asset Register**

You will be required to maintain an asset register of all purchases of items. We may ask to see this registry at any time and may also visit your premises to verify the purchase(s) and record identification details.

Please be aware that if you dispose of the item(s) before they are fully depreciated, OxLEP reserves the right to reclaim a proportion of the grant.

The detailed information that you will be required to maintain includes:

- Asset name and description;
- Serial or identification number;
- Location of the asset (including post code);
- Purchase price (£) (net recoverable VAT);
- Date of acquisition;
- Approved Use of Asset;
- Legal Registered Owner of Asset;
- Method of Depreciation;
- Date of Depreciation.

## **13. Further Information**

In line with the UK's Subsidy Control Commitments, as BIF grants are awarded under SDR, you must sign a declaration setting out any previous *De Minimis* aid or SDR subsidies you have received or been awarded from all sources. If in doubt, please talk to an appropriate member of your organisation to check before submitting your application form. This may take the form of other grants or business support received in the past.

You must inform us if you receive other public funding towards your project as this will have an impact on the level of grant funding that we can offer.

OxLEP reserves the right to visit you to ensure the grant has been used for the purpose it was intended as stated in the application form and to inspect records to show costs have been incurred by you.

Your grant activity may also be subject to auditors from OxLEP, Oxfordshire County Council (as OxLEP's accountable body), BEIS and the National Audit Office.

## **14. Contact Us**

Please ensure that you read these Guidance Notes plus the supporting FAQs in full, and watch the accompanying webinar, prior to submitting a query. If you still have any

outstanding questions having reviewed all the supporting material, please contact us via [BusinessInvestmentFund@oxfordshirelep.com](mailto:BusinessInvestmentFund@oxfordshirelep.com) by midday on 18<sup>th</sup> November 2022.