

GROWTH PROGRAMME

Speaking at the Oxford Farming Conference, Andrea Leadsom announced that £120 million of funding will be made available to support farmers, grow businesses, and generate jobs in rural communities. This money is part of the Growth Programme distributed by the Local Enterprise Partnerships (LEPs). A quick search of “project calls” reveals that there have only been 10 calls for projects by LEPs in the South East and they all closed at least a year ago; so while this isn’t new money the sentiment was certainly welcome.

It could be that this announcement is the last hurrah for rural funding of capital projects, in which case it will be worth making the most of it. The LEPs will shortly be issuing new “calls for projects” targeting Rural Tourism, Food Processing and support for micro-business and SMEs. The detailed criteria will be published in due course but in the meantime it is possible to look at the requirements of previous calls and the Growth Programme’s “little brother”, LEADER, for some pointers as to how one can prepare a successful application.

Local LEADER projects have been around for some time now having been established under previous rural funding programmes. The groups are well versed in where money is needed and distributing funding as swiftly as an RPA compliant audit trail will allow. The WARR Local Action Group (covering part of East Sussex) for example has so far spent £304,626 of its £1.472 million allocation on 12 projects which have helped to create 18 full time equivalent (FTE) jobs. Projects ranging from farm shops to timber harvesting; from hop drying to grape presses; and from holiday lets to livestock handling systems, have all been funded.

Up to £50,000 of funding at a maximum rate of 40% is available from LEADER. Assuming you have a sufficiently interesting and eligible project the key to a successful grant application is not underestimating the time needed to put a comprehensive proposal together. Here are some tips on what needs to be covered:

- **Quotes** are an all too frequently overlooked element. You need to submit three directly comparable, independent quotes with the details of the company quoting on headed paper with VAT number and company registration number.

› Andrea Leadsom.
Photo: Flickr/NFU pics



No one likes asking for quotes when you don’t intend to use the supplier but keep an open mind, if the firm is reputable and professional they will gladly tender for the work based on a clear brief and it may be that you end up using them after all.

- **Accounts** for existing businesses must be submitted with the application. Signed accounts from the previous three years are needed.
- **Consents** such as planning permission must be in place where necessary and relate directly to the project you are proposing.
- **Funding** must be in place to cashflow the project and meet the shortfall between the grant and the project cost. For example if you have a construction project with £100,000 of eligible costs and are applying for a 40% grant you will firstly need to demonstrate that you have funds, perhaps a loan, to enable you to pay the builders before you claim the grant and secondly that your cashflow can support the balance. You are able to draw down the approved grant in up to three tranches but claims are based on submission of receipted invoices once the agreed work stage has been completed. The application must include a structured cashflow projection for the implementation phase and the following three years which demonstrates the impact of the project on your business.
- **“Jobs & growth”** are funding priorities so your

business plan will need to show an increased wage bill. As a rule of thumb for every £25,000 of funding one new FTE should be created. Your project outcomes will include jobs created and may also include the number of additional day and overnight visitors for tourism based projects.

- **Market research** is needed to demonstrate the demand for your project. At the same time you will need to look at “displacement”, that is the impact your business will have on other similar business in the area. Growing market segmentation or differentiation helps to show that there is space for yours and other businesses to grow.

The message then is that filling out application forms is only part of the process, there is a lot of leg work involved in obtaining all the supporting information so that it meets the required standard. Fag packet quotes just won’t cut the mustard.

While we must continue to plan and prepare for life after Brexit there are opportunities that are currently available that we should make the most of.

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