

East Lothian Council

Local Authority COVID-19 Economic Recovery Fund (LA-CER) 2022/23

Business Implementation Grant

Guidance Notes

East Lothian Council recognises the impact of the COVID-19 pandemic on its business base. The Council has committed grant funding within 2022/23 to support business growth and sustainability.

This fund forms part of the Scottish Government's Local Authority COVID-19 Economic Recovery Fund (LACER) 2022/23. As such this funding will not be available in subsequent years. The aim of the Fund is to address local economic recovery and cost of living impacts on low-income households by supporting:

- Interventions that support local economic recovery and contribute to businesses being able to move from surviving the period of trading restrictions towards recovery, growth, adaptation and building resilience.
- Projects that can rebuild consumer confidence and stimulate demand and economic activity.
- Low-income households, that are disproportionately impacted by the pandemic and the current cost of living crisis, become more economically active.

Priority consideration for the Business Implementation Grant funding will be given to applicants whose proposals are founded on recommendations developed in conjunction with ELC's Expert Help provision. For more information on accessing Expert Help support speak to your Business Advisor or email

economicdevelopment@eastlothian.gov.uk

Business Implementation Grant 2022/23

THE AIM

To provide for and encourage employment growth, business growth, and business sustainability in East Lothian to support economic recovery from COVID-19 and East Lothian Council's Economic Development Strategy 2012-2022. The key elements of the strategy are:

- To provide high quality employment pathways for East Lothian's workforce, and;
- To become Scotland's most sustainable local economy.

East Lothian Council supports and encourages Fair Work Practices, including Effective Voice, Opportunities, Security, Fulfilment, and Respect, and expects businesses in receipt of public funds to take a positive approach to fair work practices, more information can be found here <https://www.fairworkconvention.scot/the-fair-work-framework>

THE OBJECTIVES

To provide financial support to purchase goods and services to that create growth and enable businesses to remain competitive. Funding will be linked to business growth and sustainability.

THE GRANT

All grants are discretionary and there is a maximum grant of £5,000 per company. Equipment / services cannot be double funded, i.e. you cannot receive funding, other than match funding, from another source for elements being funded by East Lothian Council. If you receive funding from another source for items or services identified in your application you must tell us. If we cannot agree other suitable expenses you may be asked to repay some or all of the grant. On approval your grant will be paid in full. You must retain invoices / receipts for audit purposes.

ELIGIBILITY

- The applicant organisation must be substantively located in or be in the process of relocating their business to the East Lothian Council area.
- Applicants must meet all legal requirements and regulations which relate to the operation of the business.

- Applicants must satisfy East Lothian Council of the viability of the business over the medium to long term.
- Applicants must not be in debt to East Lothian Council, e.g. for outstanding business rates or other charges.
- Applicants must clearly demonstrate the need for the funding and the benefit to the business.

WHAT WE CAN AND CAN'T FUND

The grant is for the purposes of business growth and sustainability.

Examples of eligible expenditure include:

- New machinery or equipment
- Upgrade or refurbishment of facilities
- IT software or systems
- Marketing initiatives

The grant cannot be used for:

- Buying company shares or buying out members of a partnership
- Repaying or replacing existing loan and overdraft facilities
- Repaying debts, including taxes owed
- Paying interest on existing loan(s) / borrowing facilities
- Illegal or political activities
- Revenue costs, e.g. staff / payroll costs, utilities etc.
- Consultancy

GENERAL TERMS

Companies must:

1. Apply in writing using the relevant East Lothian Council grant application.
2. Provide one year's accounts along with their last three month's bank statements.
3. Provide an up to date business plan. In the absence of a business plan, and if one year's accounts are provided, a full project description with associated cash flow / costs accompanied by a company background may be acceptable.
4. Have at least one meeting with a nominated representative of the Economic Development Department to discuss their application in full.

5. Agree to and sign the grant award and retain and submit invoices as proof of purchase for items or services.
6. Meet with a nominated representative of the Economic Development Department and provide a copy of their accounts one year after the project completion to evaluate the success of the funding and review any further required support.
7. Effect and maintain, for a period to be agreed, such insurance over the funded assets and business as is reasonable and customary for a business engaged in the same or a similar activity.

HOW WE ASSESS APPLICATIONS

When we have received a completed application form and full supporting documentation we will start our assessment. We will only consider one application from your organisation. We will check that you / your organisation can apply and that your project / proposal is something we can support. We will then consider the following as appropriate:

- The business need for your project
- How you will address COVID-19 recovery and ensure sustainability of your organisation
- If we have funded your organisation before
- Your organisation's financial standing
- The total project cost, and other funding required
- The potential economic impact
- The potential longer term impact of your project
- Your company's commitment to fair work practices
- Your company's commitment to environmental sustainability

Our funding decision will be final, there is no appeal process.

MONITORING YOUR GRANT

Any grant awarded will be subject to monitoring through a business health check, the purpose of which is to support you to evaluate the impact of your project and consider future support needs. You must retain records of expenditure and other relevant documents and maintain your management accounts.

SUBSIDY CONTROL

Any grant under this scheme will be made subject to Scottish and UK Government Subsidy Control rules (replacing previous EU State Aid regime from January 2021). You may need to declare any amount received under this Scheme to any other aid awarding body who requests information from you on how much aid you have received. You must retain any award letter for 4 years from the date of the letter and produce it on request from the UK public authorities. The EU-UK Trade and Co-operation Agreement (TCA) defines the amount of total subsidy that can be given to any one organisation over a three year period by UK public bodies (Special Drawing Rights - SDR) and that therefore falls outside of the subsidy control measures. This is the equivalent of EUR 325,000, note that the SDR rate is static, but the £Sterling conversion rate will fluctuate daily. If your organisation has received financial or in kind support approaching the SDR limit over the past 3 years please get in touch with us for advice

supportgrants@eastlothian.gov.uk

In the event that in East Lothian Council's reasonable opinion and/or in the reasonable opinion of the Scottish Ministers, your grant or any part of it is deemed to be or held to be in excess of any subsidy control levels, and that each or either of them consider that they are required to recover such sum in order to ensure compliance with obligations under the Law, East Lothian Council or the Scottish Ministers may require immediate repayment of the your grant or any part of it together with such interest at a rate and on such a basis as may be determined from time to time by the relevant government body.

In the event that you become bound to repay any sum you shall pay East Lothian Council or the Scottish Ministers the appropriate sum within 14 days of a written demand. In the event that you fail to pay the sum within the 14 day period, the Scottish Ministers or East Lothian Council shall be entitled to interest on the sum at the rate of 2% per annum above the Bank of England base lending rate prevailing at the time of the written demand, from the date of the written demand until payment in full of both the sum and the interest.

DATA PROTECTION

East Lothian Council takes your privacy seriously. As we collect and process personal information about you we are registered as a 'data controller' under the Data Protection Act (ICO registration Z5759571). Under the Data Protection Act, you have a right to know how we collect, use and share your personal data. You can find information on the kinds of personal data we collect, and how we might use it here <https://www.eastlothian.gov.uk>

DEADLINE

Applications will be considered on a first come first served basis. All funds must be claimed by 31st March 2023.

SUBMITTING YOUR APPLICATION

Completed application forms together with supporting documentation should be emailed to: supportgrants@eastlothian.gov.uk