

Appendix B

Invest Wirral

Big Support

Purpose of the Fund

Wirral Borough Council is committed to supporting the sustainability and growth of its business community. This fund will utilise the £50,000 identified at Cabinet on 23 February 2009 to support local companies during the current economic downturn and £800,000 per year of Working Wirral funds. During the current economic downturn, this fund will be used to support SME's with potential for growth in Wirral, but importantly, will also support the sustaining of companies who may be having difficulty during this downturn. This fund represents a partnership between the business and the Council, investing in the future of the business and the Borough.

The aim is to make the fund as flexible as possible, to meet the funding needs of the business. The business must be sound, solvent and its plans well considered and prepared. The funding provided will recognise a range of factors, including the need for funding to enable the project to proceed.

This fund will be just one of a range of support services available to businesses including working with the business to identify and secure other sources of funding including NWDA (GBI), Alliance Fund Managers and Banks.

The fund will be available for a wide range of support, including access to consultancy and grants. It is also hoped that the availability of such financial support will encourage banks and other lending institutions to also invest in these businesses.

Business Eligibility Criteria

Invest Wirral Business Team will consider investment plans from local SME's (upto 250 employees) with particular focus on the micro businesses.

The business must be financially and organisationally sound and trading in legitimate activity and be able to demonstrate this.

The Company and its Directors must be solvent.

The business and its project must pass the “local competition test” in that their sales are not primarily to a local market or be primarily at the expense of local businesses.

Must comply with rules relating to EU State Aid.

Project Eligibility Criteria

In essence, the fund is available to support small firms with potential for growth in Wirral. This can take a wide number of forms – listed are a few examples.

- A company choosing to locate in Wirral for the first time.
- An established business in Wirral with a project to sustain or uplift the productivity and employment of their business through investing in their people, equipment or facilities.
- A new business with growth potential

What cannot be supported?

- Routine, replacement or renewal investment in the business
- Projects that do not require funding to proceed.
- Projects that have already commenced or that are contractually committed

Eligible Expenditure

Fixed and Project related Investment including:-

- a. Plant, Equipment etc excluding vehicles
- b. Buildings - acquisition, improvement, adaptation, extension
- c. Investment in new technology, systems, software, processes
- d. Initial running or one off expenditure
- e. Investment in people
- f. Working capital (in exceptional circumstances)
- g. Consultancy support

Level of Funding

The level of funding provided under this scheme ranges from £4,000 - £20,000.

This fund is entirely discretionary and the level of funding offered will be based upon the assessed need for funding and the benefit the project will bring to the business and to Wirral in both the short and long term. Long-term

safeguarding of jobs will be considered provided there is a significant uplift in business productivity.

Funding can be provided as a proportion of eligible project costs provided the overall level of public funding to business complies with EU State Aid Regulations.

Businesses should be able to demonstrate that they have exhausted all other conventional sources of funding available to them. In the case of inward investing companies a need for funding can be demonstrated by alternative location options open to the business or the internal rate of return on investment required for an investment to take place.

The grant will be awarded by means of a capital payment.

Application Process

Application starts with a telephone call or meeting with the Invest Wirral Business Team.

An Investment Manager will be allocated to work with the business to establish the details of the project, advise of eligibility and, subject to eligibility prepare a case for consideration by the Council. The financial information will be independently assessed by an allocated manager within the Council.

The allocated Manager will provide a report with recommendations to an independent panel for approval.

A panel will be set up to determine applications and will meet monthly to ensure that speedy decisions are made.