

INVEST IN NORTH LINCOLNSHIRE

North Lincolnshire - Business Start Up Grant

Grant Guidance Document, Eligible Activities and Investment Levels

What is it?

One off business grant to assist individuals to meet businesses costs associated with becoming self-employed or starting a small business.

Who can apply?

Any individual who is looking to become self-employed or who has been trading for less than 12 months whilst meeting the scheme's criteria (Please see below).

Certain types of businesses are not eligible for the scheme, including public sector organisations, domestic households, businesses/individuals linked to other organisations and the voluntary sector.

Is my project eligible?

Your business must be based within North Lincolnshire. Your proposals should be well planned and have a good chance of success. Grants cannot be used to repay past debts. The grant can only be used for a legitimate business cost where there is a clear need that the applicant is struggling to finance e.g. equipment or other specific start-up costs, and are unable to access other sources of financial support.

How much?

Grants are up to a maximum of £500. The funds available are limited, therefore only those applications that can best demonstrate viability will be considered.

What for?

Grants can be used for equipment and other capital expenditure (other than vehicles and standard IT equipment, such as laptops, computers, tablets) and other specific start-up costs, such as those associated with any accreditations or permits required.

UKSPF Business Support

As part of receiving this funding you are required to receive 6 hours of additional support via North Lincolnshire Council. This will consist of a combination of one-to-one support with a dedicated business advisor and a series of webinars.

UK Subsidy Control Regime Regulations

The UK subsidy control regime began on 4 January 2023. It enables public authorities, including devolved administrations and local authorities, to give subsidies that are tailored to their local needs, and that drive economic growth while minimising distortion to UK competition and protecting our international obligations.

A subsidy is where a public authority provides support to an enterprise that gives them an economic advantage, meaning equivalent support could not have been obtained on commercial terms. This could include, for example, a cash payment, a loan with interest below the market rate or the free use of equipment or office space.

Subsidies should be given in the public interest, to address a market failure or equity concern. For example, a subsidy could incentivise businesses to do research and development that increases economic productivity and wider prosperity, to increase the use of low-carbon technology, or to extend access to cultural or educational amenities.

Public authorities must first establish whether the support (known in the Act as 'financial assistance') falls into the category of subsidy. As the proposed grant is financial assistance given directly from public resources by a public authority the proposed grants would therefore be considered subsidy.

The value of the proposed grants is such that those applicants applying are expected to fall into the financial subsidy exemption of Minimum Financial Assistance. Minimal financial assistance (MFA) allows public authorities to award low-value subsidies (up to £315,000) without the need to comply with most of the subsidy control requirements.

MFA subsidies are exempt from the substantive subsidy control requirements, meaning that subsidies given as MFA will not need to be assessed against the subsidy control principles or energy and environment principles. However, there are two prohibitions that apply to all subsidies including MFA. These are the prohibition on giving subsidies relating to goods for export performance and the prohibition on domestic content. MFA subsidies over £100,000 are also subject to the transparency rules described in Step 6.

MFA is capped at a threshold of £315,000, meaning that no individual recipient can receive more than this amount over the applicable period (3 financial years). MFA subsidies are subject to cumulation rules, under which MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or (SPEI) financial assistance'. It also includes any aid given under the EU state aid de minimis regulations and subsidies given as small amounts of financial assistance under the UK-EU Trade and Cooperation Agreement after 31 December 2020 but before this section of the Act comes into force. This prevents enterprises being able to receive many subsidies that are individually of low value, but that cumulatively exceed the £315,000 threshold.

All applicants will be required to inform North Lincolnshire Council of any/all financial assistance they have received in the last 3 financial years (FY20/21, FY21/22 & FY22/23). This will need to include any grant support received during the COVID-19 pandemic and associated business financial support.

If any applicant has received above £315,000 of grant support in the last three financial years their application will need to be assessed against the 7 principles of subsidy control. Having exceeded £315,000 will not disqualify any applicant from applying for &/or receiving grant support but the business may be requested to provide additional information.

Failure to declare previous financial aid will be considered an event of default in relation to any offer/payment of support and an applicant may be required to pay back part or all the funding they have received.

How do I apply?

Please arrange to contact a business advisor via our [online booking portal](#). One of our Business Advisors will be in touch regarding submitting a full grant application form.

You will be asked to provide us with your business plan when you apply. If you do not have a Business Plan, an Advisor will arrange a meeting to discuss your business idea and business plan.

Businesses can access a template business plan via the [Invest In North Lincolnshire](#)

What happens next?

You should submit your grant application as soon as possible to be considered for funding. Funding will be allocated on a first come, first served basis.

If you are successful you will be informed in writing within 5 working days of the decision. Decisions are at the discretion of the North Lincolnshire Council and if unsuccessful, applicants are not eligible to reapply.

Successful applications will be required to sign an offer letter detailing the outputs and milestones associated with the project. Payment will be made on submission of an invoice and the applicant must provide evidence of defrayal of the grant through bank statements and/or invoices on completion of the project.