

Flood Recovery Grant Scheme Guidance for Businesses

This grant scheme is to support small and medium sized businesses severely affected by the flooding of 18th-20th November 2009, to help you recover quickly and provide a boost to get you trading successfully and sustainable. The support has been put together based on experience of supporting businesses during the FMD crisis and previous flooding crisis in the county, and drawing on best practice identified elsewhere.

Who is funding this support?

This funding is provided by the Northwest Regional Development Agency.

Eligibility

Small and medium sized businesses (up to 250 full time equivalent employees) in Cumbria flooded during the heavy rain of 18th-20th November 2009 which:

- were trading on 17th November 2009
- were severely affected by the flood
- are able to demonstrate viability prior to the flooding or on track to become so within one year
- intend to continue trading and to maintain existing levels of jobs for a period of three years.

If you were not flooded but have been severely affected your situation will be looked at on a case by case basis.

State aid: Businesses in sectors excluded from the De Minimis Block Exemption are not eligible for this scheme. State aid includes, for example, National Lottery Funding, European Funding, NWDA funding, rate relief, deferral of VAT and income tax, other Government support.

This grant scheme falls within de minimis so any grant amount must not take you over the relevant de minimis limit.

The current de minimis limit for state aid are:

- 7500 euros in de minimis aid can be granted to Small Medium Enterprise (SME) undertakings (in a rolling three year tax period) involved in agricultural production;
- for the road transport sector the maximum is 100,000 euros in a rolling three year tax period
- for contracts entered into before 31.12.2010, the usual 200,000 euros de minimis limit in a rolling three year tax period for SMEs involved in processing or marketing activities and other sectors, has been increased temporarily to E 500,000 in any 3 consecutive tax years including the one in currency up to 31.12.2010
- for contracts entered into on or after 1.1.2011 the maximum will revert to 200,000 euros for a rolling three year tax period

What can you apply for?

- **Specialist expertise**

Expertise to help plan the clean up and recovery – for example accountant, architects, designers, IT specialists, HR , etc.

Up to 100% of costs can be covered at up to £600/day, up to a maximum of £5,000.

- **Marketing**

Expertise to help the business trade again and implement a marketing plan – for example to produce a marketing plan, recreate customer records, reinstate or introduce electronic sales, and other actions to implement a marketing plan.

Up to 70% of costs can be covered.

- **Interest Relief**

Interest costs on new, rescheduled or existing borrowing.

Up to 100% of costs can be covered up to a maximum of £5,000.

- **Training**

Training of staff, for example to use new equipment or implement new processes. This includes the cost of trainers, materials and venues.

Up to 100% of costs can be covered.

Funding can be applied for in any combination up to the overall maximum amounts set out below.

NB This funding should not be used for anything that an existing scheme for which the business is eligible already covers. The Business Recovery Plan should draw in any relevant existing support to maximise the help to the client and impact on the business – your Business link adviser will help you with this.

Approximate costings may be used for the application to facilitate speedy submission and approval but these should be as realistic as possible.

How much can you apply for?

You can apply for up to £10,000, depending on the size of your business, as follows:

Annual turnover	FTE jobs	Maximum grant
Up to £68,000	1	£3,000
£68,001 - £300,000	2-5	£5,000
£300,001 - £500,000	6-10	£7,000
£500,001 plus	11 plus	£10,000

Either annual turnover or full time equivalent employee numbers will be used to calculate the maximum grant – using whichever puts you in the highest grant category.

Any offer will be capped if necessary to ensure that state aid limits will not be exceeded. This is unlikely to affect you unless you have already received significant public funding.

Dates for applications and claims

Applications will be dealt with on a first come first served basis and you should apply as soon as possible. The final date for applications is 28th February 2010.

Final claims must be submitted by 31st December 2010.

What is the process?

A Business Link or WCDA adviser will help you to produce a business recovery plan and complete your application form. ***There is no charge for assistance from a Business Link adviser.***

The adviser will confirm and verify the information and confirm that they consider the project costs reasonable. Cumbria Chamber of Commerce (the Chamber) reserves the right to verify applications signed off by an adviser.

The adviser has no authorisation to agree funding.

You then submit your application to the Chamber who will process it. An independent Grant Panel will decide grant awards. The Chamber will then send out a grant offer letter with other relevant documents, or a rejection letter, within three days. Should there be any queries, the business may be asked for additional information which may delay the grant award decision.

You then submit your claim(s). Each of the four elements can be claimed for separately.

The Chamber aims to pay claims within three days of approval of the claim. Should there be any queries, the business may be asked for additional information which may delay the claim payment.

Specialist expertise grants will be paid direct to the supplier. Other grants will be paid to your business.

Any complaints will be investigated in line with an agreed escalation process.

What is not covered?

- Recoverable VAT
- Costs that are covered or reasonably could have been covered by insurance

The grant must be used to aid recovery from the impact of flooding and should form part of a considered business recovery plan as detailed in the grant application. No application can be made as compensation for any loss incurred.

Outputs

As you'll appreciate as a tax payer, we do need to demonstrate that public money is being used properly, so you will need to provide expected outputs (like jobs saved). Your Business Link adviser will help you specify these.

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Conditions of grant offer

If successful in obtaining a grant you will be required to fulfil certain conditions so please refer to the separate Conditions of Grant document for details.

Queries

Any queries please contact your Business Link adviser or Cumbria Chamber of Commerce 0845 226 0040 or info@cumbriachamber.co.uk.