



# Innovation 4 Growth

## Guidance for Applicants



# Table of Contents

<b>1. About Innovation 4 Growth (I4G) and European Regional Development Fund</b>	<b>3</b>
<b>2. I4G eligibility</b>	<b>3</b>
2.1 <i>Am I eligible to apply for an I4G grant?</i>	3
2.2 <i>What types of project will be supported by the I4G grant scheme?</i>	4
2.3 <i>Eligible costs</i>	4
2.4 <i>Non-eligible costs</i>	5
<b>3. How to apply</b>	<b>6</b>
<b>4. How to fill in the application form</b>	<b>6</b>
4.1 <i>Application Form</i>	6
4.2 <i>Gantt Chart</i>	9
4.3 <i>Budget Form</i>	9
<b>5. How your application will be assessed</b>	<b>9</b>
<i>Stage 1: Eligibility</i>	9
<i>Stage 2: Assessment</i>	9
<i>Stage 3: Recommendation Panel</i>	10
<i>Stage 4: Financial due diligence</i>	10
<i>Stage 5: Final decision</i>	11
<b>6. If your application is successful</b>	<b>11</b>
6.1 <i>Grant Offer Letter</i>	11
6.2 <i>Reporting</i>	11
6.3 <i>Claims</i>	11
<b>7. Data protection</b>	<b>13</b>

## 1. About Innovation 4 Growth (I4G) and European Regional Development Fund

Swindon & Wiltshire Innovation 4 Growth (I4G) is a grant funding programme run by the University of the West of England, Bristol and funded by the European Regional Development Fund (ERDF). The programme aims to generate R&D activity, to create new jobs and new to market products, and to grow the Swindon & Wiltshire economy by encouraging investment from the private sector.

The I4G programme includes:

- Grants of between £10,000 – 40,000 to cover 35% of project costs, for successful applicants.
- Additional support through training workshops and 1-to-1 bid writing support

The I4G programme will contribute up to a maximum of 35% of total project costs, so you will need to be in a position to cover the remaining 65%. Your project contribution can be made up of a variety of eligible costs, including consultancy, materials, equipment and testing fees.

I4G is funded by the European Regional Development Fund (ERDF) and will receive up to £760,000 of funding from the European Regional Development Fund (ERDF), as part of the European Structural and Investment Funds (ESIF) Growth Programme 2014-2020. The Ministry of Housing, Communities and Local Government is the Managing Authority for ERDF. Established by the European Union, the ERDF helps local areas stimulate their economic development by investing in projects which will support innovation, businesses, job creation and local community regeneration. For more information visit <https://www.gov.uk/guidance/england-2014-to-2020-european-structural-and-investment-funds>.

ERDF aims to encourage private sector investment and we are unable to offer the maximum grants allowable under State Aid rules. We will offer grants of up to 35% to SMEs. Grant funding represents State Aid and the I4G programme operates under the [EU General Block Exemption Regulation](#) which defines various parameters within which it can operate.

## 2. I4G eligibility

### 2.1 Am I eligible to apply for an I4G grant?

Grants are available to SMEs in the Swindon & Wiltshire region for projects that will create jobs in the region by developing innovative new products, technologies, processes or services.

The programme includes support for pre-start-ups, start-ups, micro enterprises, social enterprises, charities, sole traders and established companies. We use the [EU SME definition](#), which takes into account headcount and turnover, but also relationships with other enterprises.

You will need to consider whether your enterprise is autonomous – by far the most common category – a partner enterprise, or a linked enterprise. To do this, you must take account of any legal relationships you have with other enterprises. Depending on the category in which your enterprise fits you may then need to add some, or all, of the headcount, turnover or balance sheet data from those enterprises to your own. (For example, if an individual owns over 25% of the business, and also has similar or higher level of ownership of other businesses, the other businesses may be considered 'linked'.)

You will also need to be able to provide match funding for the remaining 65% of your project costs and evidence this at due diligence stage (this could be through cash reserves, a bank loan or money from an investor).

## 2.2 What types of project will be supported by the I4G grant scheme?

The I4G programme is focussed on R&D projects and does not support other types of activity (routine product development, capital build, marketing, etc). R&D projects supported by the I4G programme must lead to job creation in the Swindon & Wiltshire region.

In addition to creating jobs in the region, your project needs to include innovation. Innovation is a process by which a product, or a service is created or renewed by applying new processes, introducing new techniques, or establishing successful ideas to create new value. Your project needs to deliver one of the below areas of innovation:

- Produce a new product, technology, device, or material
- Install a new process, system, or service
- Improve substantially on those already produced or installed
- Lead to a pre-production prototype of an innovative product, service, or industrial process

Examples of projects I4G could support include:

- creating cutting-edge products or product features
- creating new services for customers that disrupt the sector
- developing novel processes, products, or services
- applying existing technologies or systems in an innovative way to reach new sectors and markets
- innovating your organisation by improving processes and developing new solutions to increase productivity and create efficiencies
- delivering innovative R&D projects that lead to the development of prototypes and proof of concept

The grants aim to support growth activity for SMEs from ALL sectors. We are looking to receive applications for a broad range of projects from across the Swindon & Wiltshire region.

Please note, if successful, your project must be completed by 31 December 2022.

## 2.3 Eligible costs

Materials used	Materials used are those you have bought from other organisations. The purchase of mobile assets such as mobile phones, computers, laptops, tablets and motor vehicles can be included as an eligible (R&D related) project cost. This is on the basis that they are used in delivering an approved project and that depreciation is taken into account.
External costs	External costs such as consultancy, or sub-contracting charges and fees for trials and testing are eligible.
Market assessment	This kind of activity includes work during the lifetime of the project that helps the SME to refine, reconfigure or improve their R&D based on understanding possible future markets for the end product, service or process. It should prepare the way for the development and exploitation phases of a specific project. Market research and market survey costs are not eligible.

Capital equipment and tooling costs	<p>Capital equipment and tooling costs are only eligible if they are essential to the success of the project. Capital expenditure that isn't directly related to the delivery of an activity within the project may not be included within the eligible costs of a European Regional Development Fund operation.</p> <p>The costs of tools and equipment should be depreciated for the period of the funded project activity. If such tools and equipment retain ongoing financial value after the lifetime of the I4G project, grant monies will only be paid against the 'depreciated' value (the original purchase value, minus any retained/ongoing value after the I4G project ends). Please provide a breakdown of equipment required for your I4G project using the Residual Value Calculator tab in the Budget template and transfer these values into the Non-Payroll (Capital) section.</p>
Training	Training costs are eligible if they are necessary for the project's success.
Travel	Travel costs are eligible if they are necessary for the project work.
Trials and testing	These are eligible activities as part of a project, however would not constitute a project in their own right.
Intellectual property	Intellectual property costs are capped at 5% of your total I4G project budget.
VAT (Value Added Tax)	If your business is VAT registered you will already be reclaiming any VAT paid on I4G related purchases through your standard HMRC VAT return. As a result, we will only pay grant monies against the net (ex. VAT) value of your quarterly claims. If, however, your business is not VAT registered, we will pay grant monies against the full gross (inc. VAT) value of your claims.
Evidencing direct costs	<p>All expenditure must be evidenced in line with ERDF requirements. This evidence includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Invoices</li> <li>• Bank statements</li> <li>• Order documentation</li> </ul>

In line with European Regional Development Fund procurement rules you are required to comply with the procurement guidelines outlined in section **6.3 Claims** for all project related expenditure.

## 2.4 Non-eligible costs

The following are examples of non-eligible costs:

- Internal staff costs
- UWE Bristol subcontracts
- 'In kind' contributions
- Interest charges
- Input VAT (if it is reclaimable from HM Customs and Excise)
- Dividends and bonuses
- Hire-purchase interest and any associated service charges
- Profit earned by a subsidiary or related business in providing materials, subcontracting, consultancy or trials and testing
- Buying land and buildings
- The cost of any consultancy used in applying for the grant
- Contingency costs
- Marketing costs

### 3. How to apply

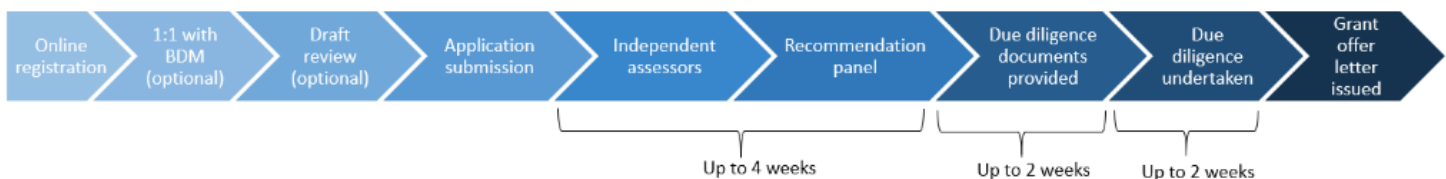
In order to apply you need to register your interest through our website [www.innovation4growth.co.uk](http://www.innovation4growth.co.uk) providing brief summary of your proposed project. We will send you a unique reference number and an application pack in Word (.docx), a Budget template (.xlsx) and a GANTT Chart template.

You will also be given the opportunity to book a 1:1 with one of our business development managers, firstly for an initial discussion about the project you are proposing and then again to discuss a draft application prior to submission should you so wish.

Please carefully follow the guidance provided when filling in the application form, budget and Gantt chart and complete the pack in full. Completed application packs, with all three documents, should be emailed to [innovation4growth@uwe.ac.uk](mailto:innovation4growth@uwe.ac.uk) using your unique reference number in the subject line e.g SWI4GXXXX Grant application.

#### This is an open call and you can apply at any time.

Once you've submitted your application you will subsequently receive an acknowledgment email. If you have not received this within 2 working days, please contact: [Innovation4Growth@uwe.ac.uk](mailto:Innovation4Growth@uwe.ac.uk) to check that your application has been safely received. We aim to let you know the result of your application, and if you are progressing to the due diligence checks within 4 weeks.



### 4. How to fill in the application form

#### 4.1 Application Form

##### Section 1 – Applicant details

Please provide basic information regarding your organisation, ownership and other funding.

##### Section 2 – Applicant organisation finances

Please check that all documentation listed below can be available to submit for due diligence within 2 weeks of receiving confirmation that the Recommendation Panel have recommended your application progresses to due diligence. If you are a start-up and you do not have access to some or all of the below documents this does not prohibit you from applying. Please contact the team on [innovation4growth@uwe.ac.uk](mailto:innovation4growth@uwe.ac.uk) to discuss.

- Audited profit & loss account and balance sheet for the last two years (if only abridged accounts have been filed with Companies House)
- Current year's management accounts (P&L budget, forecast and year to date results)
- Current year's cash flow forecast
- P&L financial forecasts/estimates for the next two years (including balance sheet forecast/estimates)
- Evidence of confirmed private match funds or, if not yet confirmed, evidence of eventual source of these funds

Please note the documentation listed above must be received by the I4G Team in order for due diligence to be carried out. Failure to provide documentation within two weeks of the announcement of advancement to due diligence may result in the offer of an I4G grant being withdrawn.

## Section 3 – Project details

### 3.2 The project

#### *Project Summary (max 300 words)*

Please explain why you need the grant, what you will do with it and how you will fund your share of the project. In this section you will need to cover:

- Aims
- Reasons for the project
- How the project fits with the wider business plan
- Project deliverables

#### *Innovation (max 300 words)*

Please explain how your project is innovative:

- What need, challenge or opportunity have you identified and how your innovation is addressing them?
- What approach will you take and where will the focus of the innovation be?
- How will you be better than your nearest competitor?
- How does this fit with your current products or services?
- What is the nature of the outcomes of your project – for example is this project a prototype, proof of concept, new process, product or service design?
- What uncertainties are you testing and/or what advances will you achieve?

### 3.3 The market

#### *Market opportunity (max 300 words)*

Please describe:

- The size of the market opportunity
- How you will exploit the project results/outcomes to bring about commercial success
- How this will be funded
- How will this innovation broaden your market or increase your productivity

#### *Competitors (max 200 word)*

Please describe:

- Main competitors and their business with an indication of what threat you feel they pose
- How you are different or more equipped to meet the challenge than them

### 3.4 Delivery

#### *Methodology (max 200 words)*

Please describe:

- The methodology and project delivery practices you will implement
- What will you put in place to ensure adequate monitoring of progress?
- Who will be doing the work?

#### *Milestones*

Please complete (adding additional rows as necessary to the project milestones tab) and include:

- Expected achievement date/quarter
- Description of milestones
- Level of importance to project

#### *Risk*

The risk register should include:

- A description of the risk
- Likelihood and severity of each risk
- Mitigation plan describing how the risk can be avoided or minimised

See also section **4.2 Gantt Chart**.



### 3.5 Experience

*Organisation (Max 500 words)*

Outline the organisation's project delivery and/or R&D track record - if applicable. Please also outline the project delivery and/or R&D track record of any individuals involved in the delivery of the proposed project (if they have been identified at this stage). What is the expertise in your team and what are their current roles?

### 3.6 Additionality

Please explain what would happen to your proposed R&D project if you did not receive I4G funding. We are keen to provide funding that makes a real difference to beneficiaries, so please provide details of where I4G funding will ensure activity goes ahead, or where it enhances intended activities.

Examples could include:

- an increase in the scope of the project/activity
- an increase in the total amount spent by the beneficiary on the project/activity due to the aid
- an increase in the speed of completion of the project/activity concerned

## Section 4 – Project costs and outcomes

### 4.1 Costs

*Budget*

Please refer to the Budget Form and the attached guidance notes when completing this section.

### 4.2 Project values

Please pull these figures over from the Budget Form.

### 4.3 Private match funding breakdown

Please breakdown your source of private match investment. Section 9 provides more information about private match funding.

## Section 5 – Job outcomes

List the number of jobs you will create in the Swindon & Wiltshire as a result of your I4G project. A Job Created is a new job in the Swindon & Wiltshire region, created as a direct result of the funded I4G project. These are measured by the additional number of full-time equivalents (FTEs) employed by your company as a direct result of the I4G project. (We will ask for a baseline number of employees before your project begins and ask you to report current levels when you report a new job).

**Full Time Equivalent (FTE)** - Equal to one full-time job or two part-time jobs:

- Full-time job = minimum of 36 hours per week
- Part-time job = minimum of 18 hours per week

A job should have an intended life expectancy of at least 12 months from the point at which it is created. A full-time equivalent (FTE) job created can be counted even if it does not last for 12 months, provided there is contractual evidence the intended life expectancy of the job was 12 months.

If you are a sole trader, you will need to self-declare to confirm details of post started, salary, duration and number of hours per week.

Seasonal jobs may be counted where this is normal practice for an industry. In this instance, the job must exist for a minimum of 4 weeks per annum and should be counted on a pro-rata basis.

Your funded I4G project must be completed by 31 December 2022, and all eligible jobs must be created by 31 March 2023 at the very latest. You will be asked to report on the jobs created on a regular basis from the date of your Project End Date, up to one year after the last job was created.

It is expected that, on average, one new job will be created per £8,500 of grant issued. **Please note, jobs created are an expected output as a result of the project and this grant cannot be used to fund the jobs created.**



## 4.2 Gantt Chart

You are required to provide a Gantt chart to support your application. We have provided a sample Excel Gantt chart. You do not have to use this template and are welcome to submit Gantt charts using your own project management systems, but please provide equivalent detail. If you have any queries about providing a Gantt chart, please contact the I4G Team: [innovation4growth@uwe.ac.uk](mailto:innovation4growth@uwe.ac.uk).

## 4.3 Budget Form

You are required to complete the Budget document to support your application. Please complete the Budget Breakdown tab and the Depreciation Calculator tab where relevant. This document has guidance notes throughout and if you have any further queries please contact the I4G Team: [innovation4growth@uwe.ac.uk](mailto:innovation4growth@uwe.ac.uk).

## 5. How your application will be assessed

Following the deadline date for applications please be advised that it can take up to 4 weeks for the I4G team to let you know the Recommendation Panel's decision and if you are progressing to the due diligence checks.

### Stage 1: Eligibility

When your application is received it will be checked for eligibility. If you are eligible and your application form has been completed correctly, your project will be sent for assessment.

### Stage 2: Assessment

Three independent expert assessors will assess your application, the following will be considered during assessment:

<b>Innovation</b>	This is an R&D scheme and routine product development is not supportable. The panel will carefully consider the degree of innovation involved with the proposed work. They will consider whether the project involves novelty in a field (by which we mean new to an industry or market) and/or process or technique innovation (by which we mean a development that will form an improved alternative, or the basis of a significant improvement, over existing products or processes).
<b>Work plan</b>	How realistic the work plan is and whether the risks have been mitigated as far as possible as well as the likelihood of successful completion by the December 2022 deadline.
<b>Business Proposition</b>	These considerations include whether there is a market for the work, the size of the market, and how you plan to get your product or process to market.
<b>Applicant and Business</b>	These include your experience and skills, whether the project and your business are viable, your track record, and whether you have a good business case for support.
<b>Additionality</b>	Applicants must be able to demonstrate that the activity paid for out of European Regional Development Funding adds value to new or existing activity. Grants will only be given if there is strong justification that the funding is essential for the project to go ahead, or it will significantly enhance the speed at which the project will go ahead.
<b>Jobs created</b>	The proposed figure for job creation (they must be in the Swindon & Wiltshire area) and that these are achievable.

<b>New to market or new to firm products, processes or services</b>	The proposed figures for product/service creation and the likelihood that these are achievable.
<b>Justification of costs</b>	Is the project costing clear and reasonable? Are subcontract costs justified?
<b>Value for money</b>	Does the project demonstrate good value for the use of public funding?

Independent assessors are appointed by UWE Bristol. All assessors are required to sign confidentiality agreements and to declare any potential conflicts of interest. They are required to treat applications in the strictest of confidence and to apply due information and data protection rules.

Assessors are engaged as individuals, not as representatives of their employment. They are required to carry out an assessment of the proposals themselves and not to ask anyone else to review an application in their place, nor to ask anyone to give another opinion of their assessment. All assessors will be briefed by UWE Bristol staff to undertake assessments according to the I4G programme requirements.

The University preserves the anonymity of the assessors and their names will not be provided under the Freedom of Information Act 2000. All panel reports and ranking sheets are confidential and will not be available to anyone other than UWE Bristol and the grant funders without your permission.

- Applications are forwarded to assessors.
- Each application is marked by a minimum of three assessors.
- Each application is assessed against the same set of questions.
- Each assessor is required to complete and submit a score-sheet with comments for each application they are assigned to assess.

### Stage 3: Recommendation Panel

The completed assessments will be given to a Recommendation Panel, appointed by UWE Bristol and comprising of individuals who have relevant experience/knowledge, who will review all of the documentation before recommending which projects progress to due diligence.

Following the Recommendation Panel, you will be notified of your project's status:

- If you have been put forward to due diligence, you will be required to submit the due diligence documents within 2 weeks of notification if you haven't submitted them already. Progression to due diligence does not mean your project has been successful.
- If you have not been progressed to due diligence, we will not be taking your project forward. There is no mechanism for a company to appeal this decision.

### Stage 4: Financial due diligence

We will undertake due diligence based on the documentation we receive, and the information available to us on public websites.

As part of the due diligence we will ask for evidence that you have the funding mechanisms in place to manage your cash flow across the life of your project, as claims are made retrospectively after project expenditure has been incurred by you. This evidence could include letters of credit, intentions to invest, etc. If you do not complete your project due to cash flow problems that you could have anticipated and managed, we may request repayment of any grant already issued.

Match funding should ideally be in place before due diligence is completed. However, we recognise that some projects will need to use the offer of a grant to leverage private investment in the project. The match funding will

need to be secured or, in some cases, a realistic forecast of match funding provided, before the project can start. If this is likely to be the case with your situation, please state this within the application form.

The Finance Team undertaking the due diligence will be in touch with any questions or queries and delays in responding at this stage may result in the application being unsuccessful.

## Stage 5: Final decision

We will consider the outcome of the Recommendation Panel and due diligence and notify you of our decision.

## 6. If your application is successful

### 6.1 Grant Offer Letter

If you have been awarded a grant, we will issue you with a Grant Offer Letter. Your Grant Offer Letter will re-confirm the following information, taken from your application form:

- Financial Forecast showing the anticipated spend of the Project broken down into quarter year periods (“Quarters”) throughout the life of the Project, commencing at Quarter 1 (from the start date of the Project).
- Project Plan breaking down the original proposal for delivery of the Project into individual packages of work, with assigned estimates of the resources and timescales needed to achieve each one.
- A milestone register showing key milestones with an assessment of the cost associated with reaching each milestone.
- An Exploitation Plan for the Project, containing further information, including the market and business opportunities, from that provided in the original application, setting out how the applicant will exploit the project.

Once your Grant Offer Letter has been issued you will need to:

- Accept the offer by signing the Grant offer Letter (Director or other authorised signatory) and returning one copy to us, retaining the other copy for your records.
- Complete a UWE Bristol ‘Supplier Form’ issued to you by the I4G Project Officer.
- Provide your business bank account details on headed paper.

### 6.2 Reporting

The offer letter will include details of the target for jobs created and these will be monitored regularly for the duration of the project. Products, processes or services that are new to the market or new to firm will be also be measured regularly throughout the duration of the project. Note that products can be launched or at the pre-launch stage.

### 6.3 Claims

Claims for grant monies must be submitted by you to UWE Bristol **quarterly in arrears**. Each submitted claim form will require you to report briefly on project progress and provide evidence that you have incurred those costs that you are claiming (i.e. that payments have gone out, not simply that you have been invoiced).

Further support and training around the claims procedure, and evidencing for an ERDF project, will be provided for successful applicants.

In line with European Regional Development Fund procurement rules you are required to comply with the procurement guidelines outlined in the below table for all project related expenditure. Please note, the values given are cumulative per supplier – therefore, the stated Minimum Procedure must be undertaken at the point when the total value of contracts with a single supplier reaches the relevant threshold in the table below (whether this happens as the result of a single purchase, or cumulatively as the result of multiple purchases over time).

E.g. If you pay a supplier £21,000 for goods or services this can be undertaken as a direct award - category 1 in table below. If you subsequently intend to purchase additional goods or services from the same supplier, but these would cost £4,100, you would need to follow category 2 or 3 in the table below, depending on whether you were purchasing services, works or supplies (£21,000 + £4,100 = £25,100).

	Value of contract	Minimum Procedure	Advertising Required
1	£0 - £25,000	Direct award	None
2	£25,000 - £200,000 (services) and £4.5m (works)	The advert needs to incorporate or direct any interested party to the following information: <ul style="list-style-type: none"> <li>- Details of the opportunity</li> <li>- What is required from all interested parties</li> <li>- How successful candidate will be chosen</li> <li>- Deadline and details of how to apply</li> </ul> Justification will also be required to demonstrate that the contract award is in line with the advert	Advertise the opportunity on the grant recipients/or other appropriate website for 10 days
3	£25,000 - £200,000 (supplies)	3 written quotes or prices sought from relevant suppliers against a clear specification <p>Justification that a reasonable decision has been made on the basis of the quotes/prices</p>	None
4	Over £200,000 (services and supplies) and £4.5m (works)	The advert needs to incorporate or direct any interested party to the following information: <ul style="list-style-type: none"> <li>- Details of the opportunity</li> <li>- What is required from all interested parties</li> <li>- How successful candidate will be chosen</li> <li>- Deadline and details of how to apply</li> </ul> Adhere to the Guidance on Identifying, Managing and Monitoring Conflicts of Interest within ERDF and ESF, and submit a declaration to MHCLG or DWP; <p>Impartially assess each bid against the same criteria and demonstrate this through use of a score/evaluation sheet; and</p> Provide evidence to demonstrate that the winning bidder has been selected on merit – as a minimum this should include a rationale behind the decision to award	Advertise the opportunity on the grant recipients/or other appropriate website for 10 days.

Grant recipients must ensure that contracts procured through the above processes are valued accurately and are not artificially split in order to fall below certain thresholds. The route followed must be based on the full value of the contract and not linked to the amount of ERDF involved, the value of the I4G grant or the project intervention rate. Direct awards to linked organisations are not acceptable.

The process you follow must be recorded and the relevant procurement documentation retained and made available to us as part of the **mandatory quarterly claims process** and the project audit trail.

## 7. Data protection

By registering to take part in the I4G programme you agree to the ERDF data privacy notice. The ERDF require us to retain your application data until 31 December 2033. After the closure of the I4G programme (30 June 2023) this data will only be accessed for the purposes of reporting or audits and will not be used to contact you.