

# YOUNG COMPANY CAPITAL INVESTMENT GRANT SCHEME - ROUND 2

## Highlands and Islands Enterprise

### ABOUT THE FUND

As part of our continued response to supporting economic recovery following the pandemic, this fund aims to stimulate an increase in regional employment for individuals aiming to move into self-employment whilst helping to support growth and resilience in young companies.

The scheme can provide grant funding of up to 50% of eligible costs for capital equipment for start-up or young companies/social enterprises (less than five years old). In very exceptional circumstances a higher intervention level may be considered. The maximum grant available is £100k.

### WHO IS ELIGIBLE TO APPLY?

- Only SME's with a UK registered address and evidence of economic activity in the Highlands and Islands region can apply.
- Unincorporated forms of business ownership (e.g. sole trader, partnership, limited partnership) as well as incorporated legal forms of business ownership (limited companies, companies limited by guarantee, community interest companies, limited liability partnership etc.) are eligible to apply.
- The applicant must be a start-up/young business or social enterprise less than five years from their date of incorporation (limited companies) or registration with HMRC (other types of legal entity).
- Applicants from most sectors can apply but those from the retail and personal services sector (e.g. hairdressers, beauticians, alternative therapist etc.) and businesses in the hospitality sector operating from their own homes (eg B&B or AirBnB- type businesses) are not eligible, however some exceptions may apply in remote and fragile areas.

### WHAT YOU CAN NOT CLAIM FOR

Applicants cannot claim for equipment that has already been ordered or purchased and/or capital works underway prior to your application to the fund.

### WHAT CAN THE FUNDING BE USED FOR?

The funding can be allocated towards most categories of capital investment, including but not limited to purchasing equipment, fixtures, fittings, furniture and IT infrastructure, for example.

Special consideration will be given to investments that promote the low carbon agenda by reducing emissions or waste, and to those that support development opportunities in rural and remote communities.

### WHAT CAN'T THE FUNDING BE USED FOR?

- Any type of motor vehicle or trailer (including mobile homes and caravans).
- Any type of construction, adaptation or upgrade to premises (though minor modifications as part of the installation of eligible equipment might be considered).



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Iomairt na Gàidhealtachd 's nan Eilean

## WHAT INFORMATION IS REQUIRED TO APPLY?

The application process follows a two-stage process. The first stage is to complete an online **Expression of Interest Form (EOI)**. Your EOI will be reviewed and if your application meets basic criteria you will be asked to make a FULL application. In order to make a full application you will require:

### For start-ups only:

- A full three-year business plan will be required. If you do not have a current business plan, Business Gateway can advise you on how to put this together. Visit [www.bgateway.com](http://www.bgateway.com) to find your local office.

### For all other applicants:

- An overview of the products/services that your business provides.
- Details on how many people you employ and information on the impact you have in your local community.
- An outline proposal of the capital equipment you wish to purchase, including costs, the purpose for which it will be used and the benefits it will bring (e.g. business growth, job retention or creation, producing goods or services that will help you access new markets or adapt to new market conditions, resilience, improved working conditions).
- Latest set of audited accounts (where available) and set of management accounts up to one month before application date\*.
- Three year cashflow projections demonstrating the impact of the proposed investment.
- Evidence of how you will fund the remainder of the investment.
- We will require two quotes for individual items of capital equipment with a value of £25k or over. We will require one quote for items less than £25k.

\* Not required by start-up applicants

## HOW DO I APPLY?

Applicants who wish to apply should complete the **Expression of Interest form** on the HIE website by 30 November 2021.

You should hear whether your application can progress to the next stage by 7 December 2021.

The deadline for full applications to be submitted is **12 noon on 6 January 2022**.

The scheme is NOT operating on a first come first served basis - applications will be assessed on their individual merits after the application deadline date. You will be advised about the outcome of your application by the end of January 2022.

If you would like to talk to someone about the application please email [enquiries@hient.co.uk](mailto:enquiries@hient.co.uk) and we will get back to you.

## THIS IS IMPORTANT - THE SMALL PRINT

- All HIE grant assistance is discretionary.
- Grant awards are subject to due diligence and budget availability. Due diligence includes making an assessment on the need for public funding, the viability of the business going forward, the ability of the applicant to deliver the project and the strength of the business case presented to HIE.
- Support will be prioritised for applications which help to create or retain jobs that pay at least the Real Living Wage (currently £9.90 an hour).
- Making an application to the scheme does not guarantee that your application will be successful. If you are not successful in your application or you are only partially successful (i.e. you receive funding of a lesser amount) then we will arrange a call with you to let you know why you have been unsuccessful and point you in the direction of other possible sources of funding.
- There is no appeals process. We are unable to consider a complaint purely relating to dissatisfaction as to the outcome of a funding decision. However, if you have identified a specific process failure relating to your application, then you may wish to make a formal complaint and details can be provided to you on **HIE's formal complaints process**.
- For applicants that are successful in being awarded a grant, **claims must be made by 15 March 2022**. In exceptional circumstances this deadline may be extended.