



Department for Communities and Local Government



EUROPEAN UNION
Investing in Your Future

European Regional
Development Fund 2007-13

GRANT FOR BUSINESS INVESTMENT FACTSHEET

Introduction

The Department for Communities and Local Government (DCLG) delivers the Grant for Business Investment (GBI) aimed at businesses looking to invest in Cornwall and the Isles of Scilly that need a grant to take their vision forward. The scheme focuses support on high-growth, innovative, knowledge-based projects that lead to long-term improvements in productivity, skills and employment through the Convergence Programme in Cornwall. The majority of jobs created are expected to be at NVQ Level 2 and above and to have salaries in excess of £20,000pa.

Projects such as launching a new business, expanding existing companies, introducing new technology in manufacturing, or taking a new product into commercial production will be eligible for support.

Each application has to meet certain criteria:

- A proven need for financial support;
- Display quality features, such as good skills levels and growth in Gross Value Added;
- Projects must be funded mainly by the applicant or from other private sector sources;
- Projects normally involve capital investment in fixed assets such as property or machinery;
- Projects must create new jobs or safeguard existing employment;
- Projects should be viable, competitive and profitable;
- Projects should not be irrevocably committed before an offer of grant;
- Projects should provide positive benefits to both the regional and national economy.

Under GBI there is a minimum threshold of £10,000 for grant applications. There is no maximum but the size of the fund will limit the largest grant to about £1m.

Assisted Areas

Tier 1 covers the whole of Cornwall and the Isles of Scilly. GBI is available to any size of business subject to meeting the eligibility criteria up to a maximum of 30% of capital expenditure. If you are a medium enterprise this can increase to 40% and for a small enterprise it can increase to 50%.

Please note that the above percentages refer to the State Aid ceilings, ie the maximum that is available. The actual size of grant awards is proportional to the number and quality of jobs created or safeguarded and the demonstrated need for grant.

Further information is available at www.communities.gov.uk (type GBI in the search engine). Alternatively contact Sarah Tooze on 0303 444 6575 or email Sarah.Tooze@communities.gsi.gov.uk