

Solutions for Business Government Funded Business Support:

A Guide for Business

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Introduction

Government's goal is to promote a strong, mixed economy which encourages high growth business to flourish. We are taking coordinated action to re-balance the economy and providing targeted assistance for manufacturing, emerging sectors, inward investment and international trade. The Solutions for Business Portfolio provides a range of publicly funded products and services designed to help businesses to overcome key challenges, and the assistance they need to improve.

The new SfB portfolio contains 13 products which will focus on helping business meet their aspirations and improve. It is part of a wider package of measure that Government is delivering to support <u>business growth</u>.

The transition to the streamlined Solutions for Business portfolio takes place from April 2011 onwards. Depending on where you live in the country product availability will vary over the coming year as delivery of existing products ends and new products become available. This process is being managed based on when contracts for existing products expire and new products are tendered, to ensure maximum value for money for the taxpayer.

To keep up-to-date with what is happening during the transition period and to also obtain an overview of all the help available to business visit www.businesslink.gov.uk.

Collaborative Research and Development

What can I get?

Collaborative Research and Development is designed to assist the industrial and research communities to work together on R&D projects in strategically important areas of science, engineering and technology - from which successful new products, processes and services can emerge.

What does it do?

Collaborative Research and Development aims to help businesses including SMEs and knowledge base institutions to undertake collaborative pre competitive research and development of enabling technologies and large-scale demonstrator projects for innovative products, processes or services.

Funding of collaborative R&D projects is allocated on the basis of regular competitions.

What will it achieve for me?

It will increases your businesses ability to exploit new ideas, and helps overcome barriers where there is high risk and uncertainty around research and development activities, and ensures that new products are brought to the market sooner.

Who do I contact?

Businesses wishing to apply for a grant should access the Technology Strategy Board's website.

How much will it cost?

Projects range in value from £10k to over £100m and typically the Grant provides 50% of the project costs. The remaining project costs will need to be covered by the applicant, but cannot include other forms of UK Government funding.

Designing Demand

What can I get?

If you are an SME, with the potential for high growth, you can get up to 10 days of design and innovation focussed mentoring over 6-18 months.

What does it do?

It provides structured mentoring to help your company boost competitiveness, speed up growth and improve the bottom line by putting design at the centre of your business strategy.

The service will be tailored to your business needs. You and your management team will get hands-on mentoring delivered through a series of steps:

- Identifying medium to long term strategic business challenges
- Defining the practical projects and programmes of work that will overcome these challenges
- Action planning to ensure projects and programmes are moved forward with momentum to implement change.
- Support to implement the changes
- Design Associates will also be able to identify other specialist help that your business may need

What will it achieve for me?

You will see improved business results when you are working with your Design Associate from an immediate change in the innovation culture of your business to increased focus on achieving the strategic outcomes. Through managing the innovation projects identified through the process, you will also gain valuable skills and capabilities to manage design strategically within your business in future.

As with other businesses that have gone through this programme, the projects you take forward will enable you to increase sales, turnover and profit, exports, safeguard/gain jobs and transform your business into an innovation and design-led business.

Who do I contact?

Not all businesses will be ready or able to make use of Designing Demand. To find out if your business is one that could make use of Designing Demand please visit www.businesslink.gov.uk for an initial assessment or Designing Demand.

How much will it cost?

A range of online services including Information and Introduction to Design and Community of Practice which would allow you to gain further awareness and understanding of how you can

benefit from design will be available free of charge. Three stages of the One to One Design Mentoring element of Designing Demand will require a contribution from your business.

Finance for Business

What can I get?

Loans up to £250,000, equity investment up to £2 million (two-thirds public supplemented by a minimum one third private investment) and mezzanine arrangements across the spectrum.

What does it do?

The provision of debt, equity and mezzanine support to small and medium sized businesses unable to raise finance on the commercial market but having viable business plans.

Equity funds address this market failure by providing approved fund managers with access to public funds to promote deal flow. These funds are aimed at new and fast growing businesses, particularly in new sectors, perceived as too high risk by commercial financiers because of a lack of track record/collateral.

Debt funds are intended to enable the growth of the mezzanine finance approach and to address the difficulties some businesses (particularly those in newly emergent sectors with intangible assets and those seeking to expand rapidly) experience in raising finance, which are not met by measures to support lenders. Loan support is only available where interest rates are charged above commercial rates (in line with State Aid rules and reflecting the higher risk which commercial lenders are unwilling to meet), where the borrower has been unable to raise finance from commercial lenders despite appropriate signposting and awareness raising (such as finance and investment readiness support) and where there is a viable business plan.

Funding is available to businesses with less than 250 employees and a turn-over of up to €50 million or a balance sheet of up to €43 million (EU definition of a medium sized company);

Who do I contact?

No single access point. Referrals occur through publicly funded Investment Readiness programmes and sign posting through Business Link, and lawyers, accountants and business advisers who are aware of a wide range of potential investors and funds.

BIS's SME finance body, Capital For Enterprise Limited has contacts on its website for all fund managers investing through Enterprise Capital Funds as the primary national instrument for SME equity investment.

RDAs currently hold access channel details for the c. £450m of venture capital and loans funds they support - whose oversight management will transfer to CfEL as these RDAs close.

How much will it cost?

This will be determined as a result of a commercial negotiation between the equity and loan providers and the recipient businesses. Business will consider the terms and rates of interest, equity shares and returns as well as the cost of due diligence as part of its consideration about whether the finance on offer is appropriate for them.

Grant for Research and Development

What can I get?

Grant for Research and Development aims to help SMEs carry out research and development work on technologically innovative products and processes.

What does it do?

Grant for R&D is a national grant scheme, with strict criteria, which must be at least met for an application to be eligible. The grants are discretionary and each application is assessed on an individual basis against the grant criteria, in the following areas:

- Testing the commercial potential of a new idea
- Developing a simple, low-cost prototype of an innovative technological product or process
- Investigating the technical and commercial feasibility of innovative technologies
- Developing a pre-production prototype

What will it achieve for me?

The scheme provides small grants from £10K up to the value of £500K to assist pre-start and start-up SMEs, used for incentives and funding at a critical stage of development. It increases business involvement in a range of R&D activity, and helps overcome barriers where there is high risk and uncertainty around the expected results, and a lack of ability to commercially exploit the results.

Who do I contact?

Further information is available from Technology Strategy Board's website www.innovateuk.org

How much will it cost?

The Grant provides between 35 percent and 60 percent of the project costs, depending on the type of grant applied for. The remaining project costs will need to be covered by the applicant.

Helping your Business Grow Internationally

What can I get?

Structured help to prepare your company to start exporting, to improve your company's exporting capabilities and to help you enter new export markets.

What does it do?

What you receive will be designed to meet your needs, but you will typically receive:

- assessment of your company's ability to export;
- help with a plan to help you start exporting, improve your exporting capability, or enter new export markets;
- help and support to put your plans into action.

What will it achieve for me?

Help is tailored to individual company needs but you may get help from an experienced International Trade Adviser to:

- Gain the skills needed to trade internationally;
- Learn how to conduct market research;
- Travel to new markets and participate in trade fairs:
- Learn how to overcome cultural barriers to exporting;
- Receive information, contacts and on the spot assistance to help you win business in new overseas markets.

You should see improved business results.

Who do I contact?

Visit www.ukti.gov.uk or call 020 7215 8000 to find out how to get in touch with an International Trade Adviser in your area.

How much will it cost?

This depends on what you require. Much help is free but there are charges (albeit at a subsidised rate) for some forms of help, notably from UKTI staff overseas. SMEs, inexperienced in trading internationally may be eligible for grant towards market research, overseas visits, participation in trade fairs etc.

High Growth Coaching

What can I get?

If you are an SME, with the potential for high growth, you can get up to 10 days of business coaching over 6-18 months.

What does it do?

It gives structured coaching and mentoring to help your company start and keep growing. What you receive will be designed to meet your needs, but you will typically go through four stages;

- · Assessment of your companies ability to grow,
- Developing a three year strategy for the growth of your business,
- · Creating a plan to make that happen,
- Putting that plan into action,

Coaches will also be able to identify other specialist help that your business may need

What will it achieve for me?

You should see improved business results when you are working with your coach. You should also be more able to overcome future problems your business may face, by applying the tools and techniques you will pick up from the coach. If you decide to create other businesses in the future, what you learn should help you do this more effectively

Who do I contact?

Not all businesses will be ready or able to make use High Growth Coaching. To find out if your business is one that could please, visit businesslink.gov.uk for an initial assessment.

Please note that from January 2012 this product will be delivered through a new programme called Business Coaching for Growth and therefore there will be limited national availability until then.

How much will it cost?

If your company has high growth potential but isn't generating revenue yet the coaching will normally be free of charge. For more established SMEs up to 10 days coaching will usually be fully or part funded.

If part funding is right for your business, what you will be charged will either be on a sliding scale or a payment by results basis. If a sliding scale is right for you the assessment and strategy development stage will usually be funded by us.

Improving Your Resource Efficiency (IYRE)

What can I get?

- Resource efficiency tools, guides, case studies and advice through websites;
- On-site support through local and regional programmes;
- Loans and grants;
- Specialist advice on specific resource efficiency topics and queries through a telephone helpline.

What does it do?

This product which is delivered via WRAP, the Carbon Trust and the RDAs who may deliver until March 31st 2012:

- Promotes and exemplifies best practice and innovation;
- Supports market development where there is a market failure;
- Promotes leadership;
- Engages business and raises awareness of resource efficiency benefits.

What will it achieve for me?

You will achieve:

- Cost savings:
- Increased competitiveness through:
 - Reduced energy bills
 - Lower raw material costs
 - Lower water bills
 - Reduced costs of waste disposal
 - Reduced operating costs from wider resource efficiency
- Increased sales
- Improved reputation with customers

Who do I contact?

To find out who to contact please visit businesslink.gov; WRAP or Carbon Trust.

How much will it cost?

Most of the support is available for free and can be implemented at low, or no, cost. Some help under this product is chargeable and some grants may require match funding.

Knowledge Transfer Partnerships

What can I get?

You will be able to access knowledge and skills from the UK Knowledge Base (Further and Higher Education Institutions or research organisations) for use in the strategic development of their business.

What does it do?

Each partnership employs one or more high-calibre KTP Associates (NVQ Level 4 in an appropriate subject; HND; foundation degree; degree and higher degree; post-doc) for a project in the applicant company lasting a typical duration of one to three years.

What will it achieve for me?

By participating in KTP businesses can:

- Access qualified people to spearhead new projects
- Access experts who can help take your business forward
- · Develop innovative solutions to help your business grow
- Improve your performance/business operations

Who do I contact?

More information is available on the KTP website at www.ktponline.org.uk.

How much will it cost?

A KTP is part-funded by a grant from the Technology Strategy Board. A small to medium-sized enterprise (SME) would be expected to contribute about a third of the costs involved in the project.

Manufacturing Advisory Service (MAS)

What can I get?

Manufacturing companies can get specialist support with manufacturing related issues such as: lean processes, supply chain performance, shop floor control and innovation in manufacturing.

What does it do?

MAS gives structured support to manufacturing companies to increase productivity and competitiveness. MAS offers a range of productivity improvement activities including:

- Lane thinking
- Value stream and process mapping
- 5 S and 6 Sigma
- Team building
- Improving layouts and space utilisation
- Reducing WIP
- Improving quality and delivery
- Materials and production innovation.

MAS offers a range of events and training programmes; problem analysis and access longer term assistance in the form of a specific improvement project support.

What will it achieve for me?

Manufacturing businesses should see improved business results through working with the MAS. Manufacturers that have accessed the service have identified the key impacts as:

- Improved staff knowledge or skills
- Introduction of new or improved products
- Introduction of new of significantly improved management practices
- Increased through put
- Reduced costs

Who do I contact?

The MAS through the website www.mas.bis.gov.uk or the helpline 0845 658 9600.

How much will it cost?

Information and basic advice; events and training programmes; problem analysis in the form of a 'Manufacturing Review' and generally free. Access to longer term assistance is offered to manufacturers at a very competitive market rate. SMEs can receive support at a discounted rate.

Networking for Innovation

What can I get?

Businesses can access single over-arching national networks in specific fields of technology or business application. Networks for Innovation bring together people from businesses, universities, and research, finance and technology organisations to stimulate innovation through knowledge transfer.

What does it do?

Networks for Innovation help businesses to access knowledge and information central to innovation growth.

What will it achieve for me?

Businesses will have access to:

- Networking frequent opportunities to network with other businesses and academics through targeted events, meetings and Special Interest Groups organised by the Network for Innovation.
- Information and news free access to on-line services such as reports, newsletters, webinars/e-training, events diaries, e-conferencing and collaboration tools and general sector/application specific information.
- Funding opportunities -advice on Technology Strategy Board Collaborative R& D calls, Knowledge Transfer Partnerships and other sources of funding for innovation such as Framework Programme 7, Eureka, Venture Capital.
- Policy and regulation a communications route between their community, Government and EU, giving members the opportunity to influence policies and regulation in the UK and abroad.

Who do I contact?

The **Networks for Innovation** are hosted on "Connect", a powerful networking platform that facilitates open innovation, where businesses and other organisations can network, share information and knowledge and work together securely, and utilise the online tools to work collaboratively or discuss ideas and find events. For further information refer to: https://ktn.innovateuk.org/web/guest/home

How much will it cost?

Networks for Innovation are free to join.

Rural Development Programme for England Business Support

What can I get?

If you are farmer, forester or landowner or are a business located in a rural area you may be able to get grant funding support to improve the competitiveness and environmental sustainability of your business. Different elements of the product have specific eligibility criteria.

What does it do?

It aims to realise a profitable, innovative and competitive farming and forestry sector and rural businesses by providing support for:

- Innovation and the adoption of new technologies;
- The development of skills, specialist training and knowledge transfer;
- Modernisation of agricultural holdings;
- Adding value to products, or the development of new products;
- Information and advisory services;
- Collaboration and co-operation between producers and the rest of the supply chain;
- On-farm diversification:
- The establishment or growing-on of micro-enterprise;
- The development of sustainable rural tourism.

What will it achieve for me?

You will be able to make your business more profitable, innovative and competitive; that better meets the needs of your customers and which is environmentally sustainable and enhances employment opportunities in rural areas.

Who do I contact?

To find out who to contact please visit www.businesslink.gov.uk.

Information about the product and the wider Rural Development Programme for England (RDPE) can also be found on the RDPE Network website at: www.rdpenetwork.org.uk

How much will it cost?

This amount of support available will depend on the individual proposal and is assessed on a case-by-case basis.

Understanding Finance for Business

What can I get?

Free advice and support from specialist advisors to ensure that you understand your options for getting the money you need to start and grow a business.

What does it do?

It provides a diagnosis of financial needs and facilitated introduction to potential sources of finance for small and medium sized businesses who lack an understanding of their financial options, the skills to develop a funding proposition, or access to potential investors. It also helps to broaden and deepen businesses' awareness and knowledge of external sources of finance.

What will it achieve for me?

You should be able to have a straightforward and accurate breakdown of your business' financial requirements, a better understanding of what type of finance is right for your company at its current stage of development, and potential access to suitable finance providers with whom you can discuss your needs and, if commercially viable and appropriate, secure funding. Research has shown that UfB has had a highly positive impact on the success of businesses' finance applications.

Who do I contact?

The provision of Understanding Finance for Business varies across England, and in some cases the product itself is different in some areas. Further details of how UfB is constituted in each area can be found at www.businesslink.gov.uk

How much will it cost?

The advice and support is free; any finance secured as a result of the process will typically be supplied at normal commercial rates at the discretion of the lender.

Work Place Training, Including Apprenticeships

What does the product include?

A range of support is available through the skills system to help improve the performance and increase the productivity of your firm. The product is made up of three parts; Apprenticeships; other Work-based training and SME Management and Leadership.

As an employer you can get support to employ an apprentice or to enrol existing employees on an Apprenticeship.

Support is also available for your employees to undertake other vocational training, although there some eligibility requirements by age, qualification level and company size which need to be met.

If you run an SME with the potential for fast or high growth you can get help to develop your leadership and management skills to improve the growth prospects of your business in the future.

The following guides give more information about each part of the product.

Apprenticeships

What can I get?

As an employer you will get support to employ an apprentice as a route to ensuring your company has the practical skills its needs to grow.

What does it do?

Apprenticeships provide real, measurable business benefits. They bring productive, enthusiastic and loyal people into your business and help you to demonstrate your commitment to investing in your staff. There are nearly 200 Apprenticeship frameworks suitable for hundreds of job roles from Nursing to Graphic Design, Horticulture to Electric Vehicle Engineering.

What will it achieve for me?

Apprentices increase productivity and efficiency; 80% of those who employ apprentices agree they make the workplace more productive. Apprentices are loyal and hardworking and help businesses grow. 88% of employers who employ apprentices believe that Apprenticeships lead to a more motivated and satisfied workforce.

Who do I contact?

The National Apprenticeship Service can help fund and support Apprenticeship training within your business. Go to www.apprenticeships.org.uk.

How much will it cost?

Employers are expected to meet the full salary costs of their Apprentices. Under the specific provisions under the National Minimum Wage the current hourly rate is £2.50.

For Apprentices aged 16-18 Government will fund 100% of the associated training costs. For Apprentices aged 19+ employers are expected to make a financial contribution of at least 50% of the training costs in addition to the salary costs. This means that the Government will co-fund the costs of Apprenticeship training for adults up to a maximum of 50%.

Workplace Training (non-Apprenticeship)

What can I get?

You can get support to enable your workforce to undergo vocational training to improve their performance and increase your firm's productivity.

What does it do?

The programme offers:

- Fully-funded literacy and numeracy training for your employees in
- First qualifications at levels 2 and 3 for those aged 19 up to 24
- Co-funded re-training at level 2 for employees of small and medium sized companies (SMEs) only

What will it achieve for me?

It will enable your lower skilled workers to get the basic skills they need to function effectively at work and in society. You should see improved business performance and productivity which will help to accelerate the growth of your company.

If you are an SME you will be eligible for co-funded training where Government will pay 50% of the costs to retrain your staff to Level 2 so that you can expand your business or move it in a different direction. You will be expected to contribute the other 50%.

Who do I contact?

Visit www.businesslink.gov.uk.

How much will it cost?

Government will pay for literacy and numeracy skills, and for a first Level 2 or Level 3 qualification for workers aged 19 up to 24. You or your employees will need to contribute to all other training. As prices vary you will need to discuss this with your local training provider.

SME Leadership and Management Programme

What can I get?

If you are in charge of an SME with the potential for fast or high growth you can get help to develop your leadership and management skills which will improve the growth prospects of your business in the future

What does it do?

The programme starts with an assessment of your organisation's ability to grow. It then offers a free skills needs analysis and help to put together a personal development plan. This is followed by access to up to £1,000 worth of grant funding to help you undertake appropriate training to meet your identified needs. Follow up support is also provided to review the learning and development activity, assess progress against the personal development plan and provide additional advice on how best to use your newly acquired skills back in the workplace.

What will it achieve for me?

It will enable you to engage more effectively with your workforce, make better use of their existing skills and improve their motivation. You should also see improved business performance and productivity which will help to accelerate the growth of your company. In a recent evaluation of the programme 89% of participants reported that it had helped them to develop new and improved skills and 84% reported that the skills they had developed had led to changes in the way in which they led or managed their businesses.

Who do I contact?

Not all businesses will be ready or able to access this programme. To find out if your business is one that could please, visit www.businesslink.gov.uk to find contacts details for the service in your area.

How much will it cost?

The skills needs analysis, personal development plan and follow up activity are all provided free of charge to you. The grant funding will need to be fully matched by your organisation.

is available and will also provide up-to-date information on changes during the transition period.
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