

LOCAL GROWTH FUND – BUSINESS DEVELOPMENT GRANT

Blaenau Gwent County Borough Council

1. Overview

The Business Development Grant is funded through the Local Growth Fund (LGF) and administered by Blaenau Gwent County Borough Council as part of a wider suite of Economic Stimulus Funds. The scheme provides targeted capital investment to support established businesses to improve productivity, competitiveness, innovation and growth. It forms part of a structured business support pathway designed to help businesses scale, create employment opportunities and strengthen the local economy.

The grant supports investment that enables businesses to:

- Create sustainable employment opportunities.
- Increase productivity and operational efficiency.
- Expand capacity and output.
- Safeguard existing jobs.
- Introduce new products, services or processes.
- Adopt innovative technologies and digital systems.
- Increase competitiveness and market reach.
- Strengthen local and regional supply chains.
- Support sustainable and low-carbon business growth.

The scheme contributes towards **Local Growth Fund Priority 1: More Productive and Competitive Businesses** and supports increased capital investment in businesses with growth potential.

Whilst productivity, innovation and competitiveness remain important objectives, job creation is the primary economic outcome sought through this fund.

Programme Delivery Period

Funding is available during the 2026/27 financial year only. All approved projects must be fully completed, all expenditure incurred and paid, and grant claims submitted no later than **31 January 2027**.

Applicants must demonstrate at application stage that their project can be delivered within these timescales.

2. Fund Objectives

The Business Development Grant aims to:

- Support business growth and expansion.
- Create sustainable employment opportunities.
- Safeguard existing jobs.
- Increase business productivity and competitiveness.

- Encourage innovation and digital adoption.
- Strengthen manufacturing and supply chain activity.
- Increase private sector investment.
- Encourage low-carbon and environmentally sustainable investment.
- Build resilience within the Blaenau Gwent economy.

3. Employment Priority

The Business Development Grant places a strong emphasis on employment creation and economic growth.

Applicants will be expected to demonstrate how the proposed investment will:

- Create new full-time equivalent (FTE) jobs; and/or
- Safeguard existing jobs; and
- Support long-term sustainable employment.

Projects demonstrating higher levels of employment impact relative to the grant requested will receive greater priority during assessment.

Whilst not every project will generate immediate employment growth, applicants must clearly demonstrate how the investment contributes towards business expansion, increased productivity and future employment opportunities.

4. Who Can Apply

Eligible Applicants

Applicants must:

- Be based within Blaenau Gwent or committing to relocate into the County Borough.
- Be actively trading.
- Operate on a full-time commercial basis.
- Demonstrate financial viability.
- Demonstrate the ability to deliver the proposed project.

Eligible organisations include:

- Sole Traders
- Partnerships
- Limited Companies
- Cooperatives
- Community Interest Companies (CICs)
- Social Enterprises
- Charities undertaking commercial trading activity
- Limited Liability Partnerships (LLPs)

Target Sectors

The scheme is primarily targeted at:

- Manufacturing businesses.
- Engineering and fabrication businesses.
- Production-based businesses.
- Construction and built environment supply chains.
- Service-to-manufacturing businesses.
- Industrial and technical supply chain businesses.

Definition of Service-to-Manufacturing

Service-to-manufacturing businesses are those that directly support manufacturing operations, production processes or industrial supply chains.

Examples include:

- Engineering services.
- Industrial maintenance and repair.
- Specialist installation services.
- Component suppliers.
- Packaging and finishing services.
- Quality assurance and testing services.
- Logistics and distribution linked to manufacturing.
- Automation and industrial technology providers.
- Industrial software and production system providers.

Applicants must demonstrate how a significant proportion of their business activity supports manufacturing operations or supply chains.

Priority May Be Given To

- Businesses creating employment opportunities.
- Businesses safeguarding employment.
- Businesses expanding into new markets.
- Businesses adopting automation and digital technologies.
- Innovative businesses.
- Low-carbon and energy-efficient projects.
- Social enterprises delivering measurable economic impact.
- Businesses strengthening local and regional supply chains.

5. Ineligible Applications

Applications will not normally be supported where:

- The project is primarily revenue based.
 - The proposed expenditure is routine replacement with no measurable improvement.
 - There is no clear business growth, productivity or employment benefit.
 - The project duplicates existing publicly funded activity.
 - The project cannot demonstrate additionality.
 - The applicant, business, owner, director, partner has failed to comply with terms and conditions of a previous grant awarded by Blaenau Gwent County Borough Council.
- This includes, but is not limited to:

- Failure to provide monitoring information.
- Failure to provide evidence of outputs, outcomes or employment commitments.
- Failure to respond to monitoring requests.
- Failure to comply with grant conditions.
- Outstanding grant recovery, clawback or compliance matters.

Blaenau Gwent County Borough Council reserves the right to take previous grant performance and compliance history into account when determining eligibility and awarding funding.

The Council reserves the right to refuse applications that do not clearly demonstrate economic benefit, value for money or strategic fit.

6. Expected Economic Benefits

Applicants must demonstrate how the proposed investment will contribute towards one or more of the following outcomes.

Priority Outcomes

- Creation of new jobs.
- Increased private sector investment.

Additional Outcomes

- Safeguarding of existing jobs.
- Increased productivity and efficiency.
- Increased business output or capacity.
- Business growth and expansion.
- Adoption of new technology or equipment.
- Innovation and process improvement.
- Supply chain growth and resilience.
- Increased competitiveness and market reach.
- Sustainable and low-carbon business growth.

Applicants will be required to forecast employment outcomes as part of the application process and explain how the proposed investment will contribute towards business growth and economic impact.

7. Eligible Expenditure

The scheme is primarily focused on capital investment.

Eligible Costs

Examples of eligible expenditure include:

- Manufacturing plant and machinery.
- Production equipment.
- Automation systems.
- Robotics and process improvement technologies.
- Specialist tools and industrial equipment.

- Digital systems supporting production or logistics.
- CAD, CAM and production software.
- Energy-efficient machinery and equipment.
- Low-carbon technologies.
- Warehouse and logistics equipment.
- Equipment supporting increased productivity and competitiveness.
- E-commerce systems directly supporting business growth.
- Internal non-structural fixtures and fittings associated with business expansion.

Limited Revenue Costs

In exceptional circumstances, the following may be supported where directly linked to the implementation of funded equipment:

- Essential software licences.
- Specialist training required to operate funded equipment.

Approval will be at the discretion of the Council.

Ineligible Costs

The following costs are not eligible:

- Salaries and wages.
- General marketing and advertising.
- General consultancy services.
- Rent and utilities.
- Stock and consumables.
- Working capital.
- Structural building works.
- Routine maintenance.
- Like-for-like replacement equipment without measurable improvement.
- VAT where recoverable.
- Contingency costs.
- Retrospective expenditure.

8. Level of Support

Item	Amount
Minimum Grant	£2,500
Maximum Grant	£100,000
Intervention Rate	Up to 50%

Applicants must provide a minimum 50% contribution towards eligible project costs.

Applications should focus on capital expenditure that supports business growth, productivity, competitiveness and employment creation.

Applications should normally be limited to a maximum of five capital expenditure items. Where multiple items are included, they should form part of a clearly defined project that contributes to the proposed business outcomes and economic benefits.

Grant awards will be proportionate to the scale of investment, employment impact and wider economic benefits delivered.

Higher Value Grants

Applications seeking larger grant awards will be expected to demonstrate proportionately higher levels of economic impact.

Particular consideration will be given to:

- Number of jobs created.
- Number of jobs safeguarded.
- Sustainability of employment.
- Productivity improvements achieved.
- Business growth potential.
- Wider economic benefits.
- Value for money.

Projects seeking higher levels of grant funding without commensurate employment and economic benefits may not be prioritised for support.

9. Application Windows

The Business Development Grant will operate through periodic competitive funding rounds, subject to the availability of funding.

Details of current funding rounds, including Expression of Interest (EOI) opening and closing dates, application deadlines and available budgets, will be published through:

- Blaenau Gwent Business Hub website and social media channels
- Blaenau Gwent County Borough Council communication channels
- Associated promotional and marketing activity

Applicants should ensure that proposed projects can be fully completed, paid for and claimed by 31 January 2027. Applications for projects that cannot reasonably demonstrate delivery within the available programme timescales may not be progressed.

Submission of an application does not guarantee grant funding.

Where demand exceeds the funding available, applications will be assessed competitively and ranked according to the published assessment criteria. Funding will be offered to the highest-scoring eligible applications until the available budget has been fully allocated.

Blaenau Gwent County Borough Council reserves the right to:

- Open additional funding rounds.
- Amend application deadlines.

- Suspend or close the scheme.
- Vary funding allocations between funding rounds.
- Amend programme arrangements where necessary.

10. Application Process

Stage 1 – Expression of Interest

Applicants will be required to provide:

- Business overview.
- Project summary.
- Business need or opportunity.
- Estimated project costs.
- Expected economic benefits.
- Proposed employment outcomes.
- Project implementation timetable demonstrating completion and claim submission by 31 January 2027.

Stage 2 – Full Application

Applicants will be required to submit:

- Completed application form.
- Three comparable quotations per item.
- Latest financial accounts.
- Management accounts where applicable.
- 12-month cashflow forecast.
- 12-month profit and loss forecast.
- Evidence of match funding.
- Detailed project delivery plan confirming all expenditure can be incurred, paid and claimed by 31 January 2027.
- Employment information where relevant.
- Any additional information requested by the Council.

11. Assessment Framework

Applications will be assessed against the following criteria:

Economic Impact and Employment (35%)

- Number of jobs created.
- Number of jobs safeguarded.
- Sustainability of employment.
- Economic additionality.
- Wider economic benefits to Blaenau Gwent.

Strategic Fit (25%)

- Alignment with Local Growth Fund objectives.
- Contribution to local economic priorities.
- Support for key sectors and supply chains.

Productivity, Innovation and Growth (15%)

- Productivity improvements.
- Competitiveness.
- Innovation and technology adoption.
- Business expansion and market growth.

Financial Viability and Deliverability (10%)

- Business sustainability.
- Financial strength.
- Ability to deliver the project.
- Ability to complete and claim the project within programme timescales.
- Realistic procurement and implementation schedule.

Value for Money (15%)

- Outcomes relative to the grant requested.
- Appropriate use of public funds.

12. Subsidy Control

All awards will be made in accordance with the Subsidy Control Act 2022.

Applicants will be required to:

- Declare previous public funding received.
- Complete all subsidy control declarations requested by the Council.
- Provide details of support received under Minimal Financial Assistance (MFA) provisions where applicable.

Failure to provide accurate information may result in grant funding being withdrawn or recovered.

13. Decision Process

Applications will be assessed following the closure of each funding round.

Applicants will normally be notified of the outcome within four weeks of the published assessment date.

Funding is discretionary and subject to available budget, programme priorities and the applicant's ability to complete the project within the required programme timescales.

There is no automatic entitlement to grant support and no statutory right of appeal.

14. Payment of Grant

Grant payments will be made in arrears following submission of:

- Signed Grant Agreement.
- Signed Subsidy Control Declaration.
- Invoices.

- Proof of payment.
- Project completion evidence.
- Photographic evidence where applicable.

Projects must not commence until written approval has been received from the Council.

Projects must be completed within the timescales specified within the Grant Agreement.

Regardless of individual project timescales, all projects must be fully completed and final grant claims submitted no later than **31 January 2027**.

The Council reserves the right to withdraw a grant offer where there is insufficient confidence that a project can be completed and claimed within the required programme deadlines.

15. Project Delivery Deadlines

Funding is subject to strict programme deadlines.

Successful applicants must:

- Complete all approved project activities by 31 January 2027.
- Incur and pay all approved expenditure by 31 January 2027.
- Submit all grant claim documentation by 31 January 2027.

The Council may withdraw an approved grant offer where:

- Project delivery is significantly delayed.
- Procurement has not been completed within agreed timescales.
- There is insufficient evidence that expenditure and claims can be completed by programme deadlines.

Any costs incurred after 31 January 2027 will not be eligible for grant support.

16. Monitoring and Reporting

Successful applicants will be required to participate in monitoring activities and provide information for up to 24 months following project completion.

Employment Monitoring

Employment creation and safeguarding will form a key part of post-project monitoring.

Evidence may include:

- Employment contracts.
- Payroll records.
- PAYE records.
- Job descriptions.
- Recruitment records.

Additional Monitoring Information

The Council may also request information relating to:

- Business growth.
- Turnover increases.
- Productivity improvements.
- Additional investment secured.
- Supply chain benefits.
- Sustainability improvements.
- Ongoing business performance.

Supporting evidence may be requested throughout the monitoring period.

17. Procurement Requirements

Applicants must obtain three comparable quotations wherever possible.

The Council reserves the right to require additional procurement evidence to demonstrate value for money.

The lowest quotation will not automatically be accepted.

18. Fraud and Misrepresentation

The Council takes fraud and misrepresentation seriously.

Any applicant found to have supplied false, misleading or inaccurate information may be subject to:

- Withdrawal of grant offer.
- Recovery of grant funding.
- Referral to relevant authorities.

19. Record Retention

Grant recipients must retain all project records, procurement records, quotations, invoices and financial evidence for a minimum period of seven years following final payment.

20. Publicity and Branding

Successful applicants may be required to acknowledge support received through the Local Growth Fund and comply with any publicity and branding requirements issued by Blaenau Gwent County Borough Council.

21. Programme Alignment

The Business Development Grant forms part of the Blaenau Gwent Economic Stimulus Funds, which also includes:

- Business Start-Up Grant.

- Retail, Service, Hospitality and Tourism Growth Grant.

Together these programmes provide a structured pathway supporting business creation, productivity, growth, job creation and long-term economic development.

22. Key Principles

All projects supported through this scheme must:

- Deliver measurable economic benefit.
- Create and/or safeguard employment.
- Improve productivity, competitiveness or growth.
- Demonstrate additionality.
- Support innovation and business development.
- Provide value for money.
- Support sustainable business growth.
- Be capable of completion and claim submission by 31 January 2027.
- Contribute towards a stronger and more resilient Blaenau Gwent economy.