

D2N2 Growth & Innovation Programme



The D2N2 Growth and Innovation Programme is a partnership initiative, led by EMB, that brings together the following partner grant schemes:

- Derby and Derbyshire Enterprise Growth Fund (D2EGF)
- University of Derby Invest to Grow scheme
- D2N2 Capital Growth Fund

European Regional Development Fund (ERDF) funding from the D2N2 LEP will increase the amount of grant funding available from each of these Programmes, enabling the sponsoring organisation to provide more intensive support and/or support a greater number of businesses wishing to invest in innovation and growth and create new jobs. Grants range from £25,000 to £500,000.

Derby Enterprise Growth Fund



D2 Enterprise Growth Fund (D2EGF) - Capital grants available to businesses across Derby and Derbyshire. This is a partnership between Derby City Council and Derbyshire County Council with funding from these two bodies and EU funding through D2N2. *****This fund is now closed to new applications*****

The fund aims to provide:

- the minimum level of funding necessary for a project to take place

- a maximum of 30% of the total project costs
- a maximum of £10,000 per new full-time equivalent job created
- **a minimum grant award of £20,000** (therefore minimum total project costs approximately £67,000).

Applications are subject to a competitive process and there is no guarantee of funding being granted. The volume of requests received are as such that rewards have to be carefully prioritised at Investment Panel as well as the number of cases taken to each meeting have to be limited. Applications will therefore be assessed on a competitive basis in this regard and it may mean that your request is not successful or meet with your desired timescales for the project. We invite funding applications from projects that demonstrate growth and create jobs.

Please also note, the following projects are not likely to be a high priority for D2EGF funding:

- Companies operating in sectors with a predominantly local market where this is a high risk of 'job displacement'. By job displacement we mean companies where job growth in a local company is likely to lead to job losses in others. Sectors where this tends to be an issue include retail, hospitality, recruitment, professional services and social care for example.
- Projects where costs are predominantly towards employment of new staff (unless there is a particularly compelling justification that investment in particular staff will directly leading to innovation or expansion within the business).
- Start-up companies with little or no trading history.
- Projects where costs are predominantly revenue based - where these schemes are focused on capital funding only.

Process and timescales when applying for our funding:

- **Expression of Interest** - submit the online form and receive feedback within 10 working days.
- **Full application** - this will be reviewed by the DEGF team and prepared for the next appropriate Panel meeting, approximately four weeks after application submission.
- **Panel** - meetings are held bi-monthly. You will receive a verbal decision the day after the panel sit in regard to their recommendation with final approval to follow in writing. Timescales for which will be advised at the time. You will have 14 days to accept an in-principle offer.
- **ID checks** - once an in principle offer has been accepted, we will need to carry out ID checks on your key directors and shareholders.
- **Due diligence** - following receipt of your in principle offer acceptance and ID checks, you may be required to pay for due diligence (further information will be given at the EOI meeting/discussion. Due diligence should take a maximum of six working weeks (or less) depending on the complexity. This will include a review of your forecasts, historic accounts and project funding plan.
- **Contracting** - following a successful due diligence outcome, contracts will be drawn up. This should take approximately six working weeks (or less) depending on the complexity of the contract.

Please note, any funding awarded will be subject to cash flow.

State aid options

Our funds can operate under various EU State aid measures including De Minimis and the General Block Exemption Regulation (GBER).

Please note that the State aid regulations are complex, and it is vital to ensure that both the company and project are eligible to receive aid and that the proposed project is compatible with the relevant State aid measure. You are advised to refer to the [BIS State Aid Manual](#) as a first step before submitting an application and to the full text of the relevant regulation (links below).

- [De Minimis Regulation](#)
- [GBER Regulation](#)

Please note, if using GBER, it is imperative that the aid falls within the permissible aid intensity threshold (refer to the Regulation). Note also that only the GBER Articles listed below may be used:

- Article 14 Regional investment aid
- Article 17 Investment aid to SMEs
- Article 25 Aid for research and development projects (sub-Articles a, b and c)
 - a. fundamental research
 - b. industrial research
 - c. experimental development
- Article 32 Aid for the recruitment of disadvantaged workers in the form of wage subsidies.

In 2017, the Commission issued a further update to GBER. Whilst broadly not considered relevant to this fund, the 2017 update does include [some provisions relating to start-up companies](#).

For information about companies we've already supported, please visit the [Derby Enterprise Growth Fund blog](#).

Other support available in Derby and Derbyshire

In addition to our fund there is a variety of support available, both nationally and locally, to help you run your business and to overcome challenges you might face. Please visit our [Support for your business page](#).

University of Derby Invest to Grow



The University of Derby's Invest to Grow programme provides grants and loans of between £15,000 and £250,000 to support private-sector businesses across the East Midlands to innovate, grow and create jobs.

Businesses in the East Midlands can apply for funding:

£15k minimum award size

£250k maximum award size

For your project to qualify for Invest to Grow funding, you will need to demonstrate that it meets the following criteria:

- It will create new jobs in your company
- It will increase the scope or scale of your company activity
- It will improve the company's performance
- It has not commenced and will not be achievable in the timescales proposed without Invest to Grow support

Who can apply?

Small and medium-sized enterprises (SMEs), large enterprises, sole traders and partnerships located in the East Midlands

What projects will Invest to Grow support?

Funding is available for projects that will create new jobs and where these jobs can be sustained for a minimum of three years (five years for large organisations). In particular, projects are welcomed that create higher-skilled jobs (ie require knowledge and skills at or above NVQ level 4).

The types of project that Invest to Grow may support include:

- Development or improvement of products and related services
- Expansion or upgrading of business premises, machinery and/or equipment
- Innovation in products, processes and systems that will result in business and supply chain efficiency, growth and profitability

The programme is aimed at growth sectors including:

- Manufacturing (eg transport equipment and food and drink)
- Life sciences
- Construction
- Logistics
- Engineering
- Technology
- Creative industries
- Low carbon

Invest to Grow does not support any companies which are business to consumer (B2C) focused, or in the professional services, agriculture and retail sectors.

What costs can I apply for?

- Purchase of land and buildings
- Refurbishment of land and buildings
- Plant and machinery costs
- Equipment costs
- Product development costs

All project costs must be exclusive of VAT.

How much can I apply for?

The minimum award size is £15,000, for which the minimum project cost must be £50,000. Maximum award size is £250,000 although higher awards can be considered for projects which offer exceptional value for money.

The majority of awards are a mix of grant and loan. Applications where the loan amount requested is higher than the grant amount will stand a greater chance of being successful.

How do I apply for Invest to Grow funding?

The first stage of the application process is the submission of an Invest to Grow - expression of interest form. For further details, please call the Invest to Grow helpline on [+44 \(0\)1332 597907](tel:+441332597907) or email investtogrow@derby.ac.uk.

Read these key frequently asked questions about the Invest to Grow programme. For more information, please download our full list of [FAQS 2019](#).

Quotes from our partners:

“We have been very impressed with the Invest to Grow team - their clear guidance and expertise from day one has been second to none. Without them, we would have not been able to build the business to where it is now.”

Matt Francklow, Managing Director, Creation Reprographics

Our turnover is set to increase by 35-40% by the end of 2017. The funding has enabled us to increase production, become more efficient and ‘step up a level’”.

David Smith, Managing Director, The National Forest Spring Water Company

“Before our relocation, we were turning down 75% of enquiries, but since relocating we’ve doubled our income in January and tripled it in February. In just two months we can already see the value of the project. Without Invest to Grow the move would have happened but the investment into the property would have had to wait. So the impact of the move would not have come for a long time.”

Cheryl Potter, Quality Manager, Penta Pattern and Model Ltd

D2N2 Capital Growth Fund

The D2N2 Capital Growth Fund offers capital grant support to small and medium-sized enterprises investing in the Derby, Derbyshire, Nottingham & Nottinghamshire areas, with grant funding of between £1,500 and £10,000, up to a maximum of 30% of eligible project costs.

To register your interest in applying for the D2N2 Capital Growth Fund, please e-mail ERDFteam@emb ltd.co.uk, with the subject: "**D2N2 Capital Growth Fund**".