|  |
| --- |
| **Northern Ireland Rural Development Programme**  **2014-2020**  **PRIORITY 6 LEADER**  **Rural Business Investment Scheme** |
| **APPLICATION FORM**  **GUIDANCE NOTES** |
| **Guidance Notes are provided for each question to assist you to complete the application form. You must read these notes carefully before answering any questions.**  **The application form and business plan are designed to provide the Local Action Group (LAG) with as much information as possible to assist with the processing, analysis and assessment of a project. In some cases, additional information may be required and, if this is necessary, you will be contacted by the LAG Admin Unit as quickly as possible.**  **ALL QUESTIONS MUST BE ANSWERED** |

  

**Priority 6 Rural Business Investment Scheme: How to complete an application form**

These guidance notes provide advice about filling in the application form but prior to answering any questions the applicant;

* must read the information sheet specific to the Rural Business InvestmentScheme for advice on support available and grant rates; eligible applicants; eligible project activity; project assessment; expected outcomes from funding provided; letter of offer terms & conditions and grant payments. These information sheets are available through [www.daera-ni.gov.uk](http://www.daera-ni.gov.uk)or directly from the LAG for the project area;
* should refer to your invitation to apply to the Rural Business Investment Scheme regarding important information on specific criteria and the application closing date to be met;

and,

* may seek further information on the Northern Ireland Rural Development Programme 2014-2020 funding schemes or the Local Action Groups (LAG) through [www.daera-ni.gov.uk](http://www.daera-ni.gov.uk) or directly from the LAG for the area.

As pre-requisites to submitting an application form the applicant must;

* have been invited to submit an application by their Local Action Group
* be 18 years old or over
* have researched the project idea including the need for the project, development costs, estimated timescales, and projected outcomes,
* have obtained the necessary quotations and/or tenders on headed paper to substantiate the total project costs,
* have a detailed business plan,
* be recorded by the LAG as having attended a LAG pre-funding workshop,
* have evidence of all match funding available, and
* have evidence of full planning permission, if required for the project.

When answering the questions and completing the business plan applicants should;

* explain things clearly – assume that the reader is not familiar with the proposed project,
* explain any acronyms used,
* answer all the questions correctly,
* be clear and realistic about what the project can achieve,
* provide accurate costing for equipment or works to be funded, and
* be realistic about project implementation timescales.

**SECTION 1. – Scheme and Applicant Details**

**Q1 Programme Scheme**

Below is a summary of the potentially eligible applicants to the LEADER Rural Business Investment scheme.

1. Private Individuals (18 years of age or over) in rural areas
2. Micro or Small enterprises (performing non-agricultural activities)
3. Social Economy Enterprises engaged in economic activities in rural areas

To confirm you are applying to the RBIS tick the box.

**Q2 Applicant Name**

Please state the name, age and gender of the person applying, whether as an individual, or as the person applying for the applicant business or organisation. This should be the person responsible for making business management decisions and with the authority to enter into funding contracts. Please state the role / position held by the person named.

Then, if applicable, please provide the name of the business/organisation. It is important to establish the correct name of the business/organisation. If the business/organisation is registered with Companies House or with DAERA, the registered business name should be used on the application form. Doing so will facilitate accurate application recording, reporting, other funding checks, risk assessment and if successful, letter of offer details.

**Q3 Co-Applicant details**

This section is only appropriate if the application is a venture between 2 or more individuals who are in Partnership, in a joint Business venture or are members of an organisation.

**Q4 Applicant Type**

Select the option which best describes legal status or operating arrangement/set-up for your business or organisation. Only one option should be selected.

**Q5 Private Business Applicant Details**

1. Select the legal status or trading arrangement category which best describes your business from one of the options provided.
2. Confirm if the business is registered with Companies House and if so, provide the Certificate of Incorporation Reference Number and the Registered Name

**Q6** **Community/Voluntary Applicant** **Details**

**Note:** Organisations not registered with Companies House but operating under a constitution document agreed by members should note that the maximum amount of grant will be capped at £7,500,

1. Select the status from the two options provided which best describes the organisation.
2. It is important that you record if the organisation is registered with Companies House. This will ensure that the LAG is aware of the legal status and registered name and address of the organisation at an early stage.
3. Provide the Companies House and/or HMRC registered status from the options provided.
4. Record all of the registration numbers held by the organisation.
5. Record the registered name of the organisation as it appears on the Companies House certificate. If successful with the application this will save time and additional questions later.
6. If the answer is No, you will be required to obtain an agreed constitution document, authorised by the Group membership before any decision is made on eligibility.

**Q7 Size of the Business**

1. Please indicate if the business is a start-up or an existing business by selecting the relevant option..

* Business start-up is defined as any business that has been trading for less than 1 calendar year prior to the date of application.
* Existing business is defined as a business that has been operating continuously for a period of at least 1 year prior to the date of the application verifiable on presentation of annual business accounts.

1. , (c) & (d) Only micro and small sized businesses are eligible to apply for funding under this scheme. You must select which size classification the applicant business/organisation fits into. This depends on the number of full time equivalent **(FTE)** employees and the financial performance of the applicant’s business. Use the table below to find out how a business size is defined for these grants.

**Check the size of the business**

|  |  |  |  |
| --- | --- | --- | --- |
| **Company category** | **Number of FTE employees** |  | **Turnover** |
| Micro | up to 9 FTE employees | AND | €2m (about £1.6 million) or less |
| Small | up to 49FTE employees | AND | €10m (about £7.9 million) or less |

For existing businesses you are asked to record on the application form the total number of existing employees split by full-time and part-time positions. This allows the FTE employee position of the business to be verified for project assessment.

**What is a FTE employee?**

Anyone who works a minimum of 30 hours per week counts as 1 x FTE employee. This includes business owners, business partners and Directors. A person working 30 hours a week for 6 months of the year would be 0.5 x FTE employee. Apprentices or employees on maternity leave do not count when calculating FTEs to assess the size classification for the business.

1. The EU define a Partnership Enterprise as one which has 25% or more of its capital or voting rights directly or indirectly controlled, jointly or individually, by one or more public bodies.

(f) The EU defines a linked business as one that is linked to one or more enterprises. The applicant therefore needs to consider the FTE employees and financial information of any other businesses to which they are formally connected. Enterprises are linked where any of the following is true:

* one enterprise holds a majority of the shareholders’ or members’ voting rights in another,
* one enterprise is entitled to appoint or remove a majority of the administrative, management or supervisory body of another,
* a contract between the enterprises, or a provision in the memorandum or articles of association of one of the enterprises, enables one to exercise a dominant influence over the other, and
* one enterprise is able, by agreement, to exercise sole control over a majority of shareholders’ or members’ voting rights in another.

For full details see this SME definition:

<http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index_en.htm>

As part of the follow-up application information you will be required to complete the Model Declaration and supporting Annexes at the back of this SME guide. The LAG Admin Unit will advise you as necessary.

(g & h) Applicants need to provide this information for all linked businesses/enterprises:

* total number of employees, split as full-time and part-time, and
* accounting period and associated total turnover.

Please note that the number of employees and turnover of linked businesses may make an application ineligible.

The onus is on the applicant to prove that the business meets the definition of a micro or small enterprise (within the SME category) within the definitions set out by the EU Commission.

**Q8 Applicant Contact Details**

1. & (b) If the application is likely to proceed to LOO stage you will be required to register for a DAERA Business ID. At this stage please confirm if (i) you already have a DAERA (DARD) Business ID in your name or the legal name of the business, or (ii) if you are named as a member of a DAERA (DARD) Business ID but will need a separate Business ID to comply with the Priority 6 terms and conditions.

(c-e) Provide applicant address, contact details for the application and correspondence address if required. Please ensure full address including premises number and postcode, landline and mobile phone numbers and contract name are provided.

**SECTION 2. The Project**

**Q9 Project Location**

1. & (b) If the project will not be located at the applicant address you need to indicate this and provide the full address for where the project will be located including the postcode.
2. & (d) Confirm whether the property at which the project will be located is owned by the applicant or if leasing arrangements are in place and if so, provide details of the length of the lease and expiry date. If lease arrangements are not yet in place you need to explain what your plans are for premises for the project.
3. Where applications from community/voluntary or social economy enterprises involve the development of land or property you will be required to provide a formal statement from your legal representative to confirm the position with existing charges/debentures on property title deeds. Applications cannot be processed or assessed without this statement from your legal representative.

**Q10 Type of Project**

Please indicate which category best describes your project from the list of themes provided. The main purpose is to help DAERA and the Local Action Group to identify different project types for publicity, monitoring/reporting and enquiry purposes.

**Q11 Title of the Operation/Project**

Please provide a title for your project which reflects the nature of the activity to be supported, e.g., *start-up fabrication welding bay*. Do not simply repeat the name of the business.

**Q12 Project Summary and Outcomes to be Achieved**

1. Provide a brief and concise summary of what the project is about, the purpose of the project and the main objective to be achieved following the proposed investment (in approx 300 words). The main purposes for this description are;
2. to help the LAG to assess if the proposed project activity is eligible for funding, and,
3. to help DAERA and the LAG to catalogue different project types for publicity and enquiry purposes. The main description of what your project will deliver and its benefits will be detailed in your business plan.
4. The Programme has a list of targets to be achieved as a result of the grant investments. The targets specific to the Rural Business Investment Scheme are listed on the Scheme sheet at [www.daera-ni.gov.uk](http://www.daera-ni.gov.uk) and at part (iv). You should consider these carefully together with the projections in your business plan. Then describe what you expect to achieve with the proposed investment and how and to what extent the project will contribute to achievement of the Scheme targets and the LAG local development strategy (in approx 300 words). The project assessment and economic appraisal process will test your projections.
5. A key priority for the Programme is job creation. You are asked to detail the type(s) and the number of full time and part time jobs to be created in each category. **NOTE:** you are asked to record the **actual number of jobs** to be created of each type, **not** the number of full time equivalents (FTE).
6. Identify and quantify what the proposed project will achieve towards the Rural Business Investment Scheme level targets. Refer to guidance in following table;

|  |  |
| --- | --- |
| **Scheme Target** | **Explanation of Target** |
| Number of New Jobs to be Created within 2 years from the date of the Letter of Offer (award of grant) | Full time job equals 30 or more hours per week – record number of jobs  Part time job equals 16 hours up tp 29 hours per week – record number of jobs, **not** the FTE |
| Number of Businesses Supported | Self explanatory |
| Number of People supported to develop their business | Owner of the business, members of the partnership or limited company, i.e., the people directly benefiting from the business income/profit |
| Number of Beneficiaries (SEE only) | Social Economy Enterprises should record the number of people that will benefit directly from the service or facility to be developed |
| Number of people completing bespoke training (necessary/directly linked to the development supported) | Number of people to be trained |
| Number of businesses supported to introduce/expand E-business | Self explanatory |
| Number of businesses which have started to export as result of grant | Self explanatory |

**Q13 Project Timescales**

Parts (i), (ii) and (iii) are required to assess the implementation timeline for the Project. You must be realistic with your projections as delayed projects have serious implications for LAG budget management and administration costs and could result in withdrawal of funding.

**SECTION 3. Project Finance**

**Q14 Project Items/Activities and Grant Required**

Enter details of the items / activities for which you require funding.

When submitting the application you must include evidence to support your Total Project Costs. To meet the application mandatory requirement of provide quotations and or tenders as necessary for the project reasonableness of costs checks you must undertake a procurement exercise as detailed in the Applicant Procurement Guidance as provided by the LAG Admin Unit. Below is a summary only of the different procurement bands and type of procurement required. You **must** undertake procurement as detailed in the full guidance to comply with project eligible expenditure rules.

|  |  |  |  |
| --- | --- | --- | --- |
| Applicant Type | Procurement Type | Procurement Value | Minimum Requirement |
| Private, Social Economy Enterprise, Voluntary/ Community | Goods & Non-Construction Services | Up to £4,999 | Price check\* in writing with at least 2 suppliers or internet quotations |
| £5,000 up to £29,999 | 2 Written Quotes |
| £30,000 or greater up to the EU Threshold of €5,225,000 | Open Tender via public advertisement |

The purpose of this process is to establish that your projections of the Total Project Costs are realistic to ensure accurate assessment of the grant amount requested. Inaccurate Letter of Offer values have implications for budget management and may result in grant being withdrawn or reduced.

You must record details of all the items you are seeking funding for, including, cost per item, quantity required, cost split by total cost net of VAT and also including VAT. It is recommended that you work closely with the LAG prior to seeking quotations and/or tenders to ensure that your project procurement in line with the Scheme guidance and rules.

**NOTE**

Failure to provide the required number of quotations/tenders by close of the LAG application call will render your application ineligible.

Failure to fully comply with the procurement guidance or supporting evidence required may require you to undertake procurement again.

Examples of Capital items include purchase of equipment & plant, construction and refurbishment of buildings.

Examples of resource items include marketing & publicity costs, bespoke training costs.

**Q15 VAT Status of the Applicant and the Project**

You must declare the current VAT status of the applicant, business or organisation and if registered provide the VAT registration number.

If the applicant/business/organisation is registered with HMRC to reclaim VAT costs this is recoverable VAT and cannot be included in any grant sought calculation.

If the applicant/business/organisation is **not** registered with HMRC to reclaim VAT costs this is **non-**recoverable VAT and may be included in the grant calculation.

Non VAT registered businesses/organisations should check if any element of the project is likely to be VAT exempt due to the nature of the project.

VAT is one of the main areas of confusion particularly in relation to;

* Non VAT registered applicants,
* Non VAT registered suppliers where VAT is recorded as a LOO funding item,
* VAT exempt property and works.

It is vital that you are fully aware of the VAT implications for the project prior to submitting the application.

When calculating the Grant sought amount for Q16 below, only use the total cost of the item(s) including VAT if the business or organisation is **not** VAT registered.

**Q16 Total Grant Sought**

Enter the Total Amount of Grant you wish to apply for, broken down by Capital and Resource item values**.**

**Q17 Project Sources of Funding**

(i) & (ii) You must indicate if i you have applied to any other funding body for this project or if there are any other public sources of funding available to the project

You must provide details of all the sources of match funding available to the project, including the amount available or requested and the current status of any request or application for match funding. This means, (iii) match funding being provided by you from savings; the business from financial resources; from any other private source, i.e., loan from bank or family member; or (iv) match funding from other public source such as, Local Council, Lottery or Trust.

Evidence of the entire match funding required for the project must be provided with your application. This means bank evidence via bank declaration or loan agreement; bank statement showing savings/balance available; and if relevant evidence of funding offer from another body.

**SECTION 4. Previous Funding History and Statutory Approvals**

**Q18 Previous Funding**

1. EU State Aid Rules apply to all economic projects and grants will be awarded under the ‘de minimis ‘rule. This rule indicates that a project promoter may only receive a maximum grant of Eur 200,000 (or sterling equivalent) over a 3-year rolling period. Therefore, you must provide details of any other public funding or grants awarded previously.
2. To inform project risk assessment you are required to state if grant assistance has ever been withdrawn from you or the business/organisation.

**Q19 Statutory Approvals**

Planning permission is a pre-requisite at application submission stage. If relevant you are required to provide evidence with your application that planning permission is approved.

Please record if any other Statutory Approvals/Permissions are required.

**Q20 Ongoing Investigations**

Self-explanatory

**Q21 Attendance at LAG Funding Workshop**

It is an application pre-requisite that you have attended a LAG funding workshop before an application can be submitted. Please provide the details of attendance.

**Applicant Declaration**

Please read the declaration and WARNING information carefully.

Sign and date the application *(For on-line applications, a signature will be obtained at the project site visit).*

**SAVE button**

This bottom at the end of the application form will allow you to save it onto your computer so that you can email it into DAERA.

**Additional Information for Applicants**

**1. Successful Applicants and Publication of Data**

If your application is successful and your project is awarded funding, you should note that European legislation requires DAERA to annually publicise details of all financial support awarded/paid out to beneficiaries. This will include the name of the beneficiary, their postal town, their post code and the total amount of financial support received by the beneficiary from the European Agricultural Fund for Rural Development.

**2. Equality Considerations**

Promotion of equality of opportunity is an underlying principle of European Funding Programmes. Applicants are required to give due consideration to promotion of equality and good relations as part of their project. This will be explored further at the project assessment stage.

**Section 75 of the Northern Ireland Act (1998) and Equality Monitoring**

Under Section 75 of the Northern Ireland Act (1998) DAERA has a statutory obligation to promote equality of opportunity between: persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation; men and women; persons with a disability and persons without; and persons with dependants and persons without.

The Act also requires DAERA to take into account the promotion of good relations between persons of different religious belief, political opinion or racial group.

Equality monitoring will be undertaken by the completion of an equality monitoring form (questionnaire) by applicants. This form is not seen by Programme Authorities and the details will not be used in the decision to award funding to any person/group who applies for EU Funding. This information will be stored confidentially by the Northern Ireland Statistics and Research Agency (NISRA). The information collected will only be used for Equality Monitoring purposes and will be held and used in compliance with *The Data Protection Act 1998*.

The information will help us to understand if the EU Programme is providing equality of opportunity and good relations to all those who apply or may benefit from the programme. It will also help to inform decisions on how we can improve equality of opportunity and good relations and to help ensure that under-represented groups of people are involved.

Although completion of this form is voluntary we would strongly encourage you to complete it. It is important that we are able to monitor those that apply to / benefit from the programme to make sure there is equality of opportunity for all of the Section 75 groups.

It will also help the Programme Authorities to comply with Section 75 of the Northern Ireland Act (1998).

The form is to be completed by those who apply for or may benefit from the 2014-2020 European Structural and Investment Funds.

**3. Approval of Project Applications**

The application will be assessed against Programme objectives and the project selection criteria set out by the LAG. Projects that meet the criteria and comply with all other EU Policies will be considered for financial assistance on a competitive basis, and if approved, a Letter of Offer Contract setting out the terms and conditions of the assistance will be issued.

**4. Claims and Payments**

Details will be set out in the individual Letter of Offer.

**5. Breach of Conditions**

Applicants are reminded to pay full attention to the conditions set out in the Letter of Offer, as any breach of these conditions may lead to the withdrawal of grant.

**6. On-the-Spot Checks**

Member States and/or Commission Officials may carry out checks on selected projects. The purpose of these spot checks is to establish that projects:

* are suitable for EU Structural Fund aid;
* match the description made in the grant application;
* are implemented with appropriate technical and financial control;
* have received grant in accordance with the recorded expenditure.

The aspects of infrastructure projects that will be checked include:

1. adherence to the statutory requirements relating to the investment;
2. the physical works of the project itself;
3. the local or regional economic context of the project, especially in relation to employment prospects; and the socio-economic effects of the completed investment;
4. the methods of financing the project;
5. the checks carried out by the LAG and by the LAG Admin Unit’s claims verification staff on the expenditure incurred and the work undertaken;
6. the tendering and contract arrangements, and arrangements for certification and payment;
7. the basis of the claim for grant;
8. the financial relationship between Central Government and the LAG and the interaction with any other Government grants to the LAG;

**NB:** Computer printouts are not accepted as proof of payment for the purposes of Commission audit checks. All original vouchers and documents concerning expenditure on the project, must be retained and available for inspection until 31 December 2027.

**7. Monitoring and Evaluation**

It is a requirement that all projects be monitored and evaluated, on a regular and formal basis, to ensure effective use of funding. Monitoring will be undertaken by the use of jointly agreed reporting procedures, sample checks and working committees at the appropriate level to ensure that projects are running as agreed.

The results of the monitoring procedures will be fed into an evaluation of projects which will examine their impact on achieving the objectives of the Northern Ireland Rural Development Programme 2014-2020.

**Data Protection and Freedom of Information Issues**

The Department takes data protection and freedom of information issues seriously. It takes care to ensure that any personal information supplied to it is dealt with in a way which complies with the requirements of the Data Protection Act 1998. This means that any personal information you supply will be processed principally for the purpose for which it has been provided. However, the Department may also use it for other legitimate purposes in line with the Data Protection Act 1998 and Freedom of Information legislation. These include:

* Administration of the Common Agricultural Policy and other aid schemes;
* The production and safety of food;
* Management of land and other environmental controls;
* Animal health and welfare;
* Occupational health and welfare;
* Compilation of statistics;
* Disclosure to other organisations when required to do so; and
* Disclosure under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004 where such disclosure is in the public interest.

**Application Checklist**

The checklist below provides an insight to the checks which will be undertaken on receipt of the application or at follow-up site visits. This list is not exhaustive and the LAG may require additional information or documentation depending on the nature of your project proposal.

|  |  |  |  |
| --- | --- | --- | --- |
| **Administration Unit Checklist** | **Admin Unit Check** | | |
| **Evidence/Supporting Documentation Provided** | **Yes** | **No** | **N/A** |
| Identity of the Applicant |  |  |  |
| Companies House Certificate of Registration |  |  |  |
| Applicant SME Declaration of size of the business |  |  |  |
| Community Group *(delete as appropriate)*   1. Memorandum & Articles of Association (signed) 2. Constitution (signed) |  |  |  |
| HMRC Charity Registration |  |  |  |
| Planning Permission (if relevant) |  |  |  |
| Business Plan |  |  |  |
| Quotations/Tenders for Total Project Costs on headed paper |  |  |  |
| Evidence of Title to the Premises |  |  |  |
| Leasing Arrangements for the Property (if relevant) |  |  |  |
| Confirmation from Legal Representatives of Charges/Debentures in place over title to the property (community/voluntary and SEEs only) |  |  |  |
| Match Funding |  |  |  |
| Attendance at LAG funding workshop: Date; \_\_\_\_\_\_ |  |  |  |