

## UK SHARED PROSPERITY FUND – STAGE 1 APPLICATION FORM

## APPLICANT DETAILS

Applicant Organisation	Cadwyn Clwyd
Organisation Address	Llys Owain, Stryd y Bont, Corwen, LL21 0AH
Organisation Type	Third Sector (Company Ltd by Guarantee)
Lead Contact Name	Lowri Owain
Secondary Contact Name	Donna Hughes
Position in Organisation	Manager
Contact Telephone No	01490 340500
Email address	lowri.owain@cadwynclwyd.co.uk
Organisation web address	www.cadwynclwyd.co.uk
Company Number / Charity Number	Company Number 04298154

W26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises.

## PROJECT INFORMATION

Project Name	Supporting Local Business Denbighshire Key Fund	
Project Status	In Development (for 1 <sup>st</sup> April 2023 delivery)	
Target County/Counties	Denbighshire	
Primary Investment Priority	Supporting Local Business	
Intervention Number(s)	<p><b>W23:</b> Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.</p> <p><b>W24:</b> Funding for new and improvements to existing training hubs, business support offers, ‘incubators’ and ‘accelerators’ for local enterprise (including social enterprise) which can support entrepreneurs and start-ups through the early stages of development and growth by offering a combination of services including account management, advice, resources, training, coaching, mentorship and access to workspace.</p> <p><b>W26:</b> Support for growing the local social economy, including community businesses, cooperatives and social enterprises.</p> <p><b>W30:</b> Business support measures to drive employment growth, particularly in areas of higher unemployment.</p>	
Output targets	Number of businesses receiving financial support other than grants (numerical value) (W23, W24)	175
	Number of businesses receiving grants (numerical value) (W23, W29, W30)	150
	Number of potential entrepreneurs provided assistance to be business ready (numerical value) (W23, W24)	100
	Number of businesses receiving non-financial support (numerical value) (W26)	100

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Outcome targets	Jobs created (numerical value) W23, W30	50
	Jobs safeguarded (numerical value) W23	25
	Number of businesses created (numerical value) W23	25
	Number of businesses introducing new products to the firm (numerical value) W23	10
	Number of businesses adopting new to the firm technologies or processes (numerical value) W23	15
Project Start Date	1 <sup>st</sup> April 2023	
Project End Date	31 <sup>st</sup> December 2024	

**PROJECT DESCRIPTION**

Overview of your project (100 words)	<p>The project will deliver across Denbighshire within the Prosperous Businesses Theme detailed within the Denbighshire Corporate Plan and the Supporting Local Business theme of the UK SPF. The project will contribute towards the levelling up agenda in boosting productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.</p> <p>It will support two areas of delivery namely:</p> <ol style="list-style-type: none"> <li>1. Business grants for individual micro and small businesses – this strand will provide direct grants to businesses within the county.</li> <li>2. A “Business Networks” key fund - This strand will facilitate and support local business and social enterprises to work collectively on developing initiatives which benefit the businesses and the local economy.</li> </ol>
Why is the project needed in this area? (150 words)	<p>The project need is highlighted demonstrated from a number of sources.</p> <p>Denbighshire Gross Value Added Figures - In 2020, the Gross Value Added figure for Denbighshire (and Conwy) was £17390 per head. Whilst this figure has increased by 6.8% since 2016, Denbighshire continues to lag behind the Wales Gross Value Added of £21,000 per head and behind the UK Gross Value Added of £29,000 per head. Thus, the project need is confirmed in Denbighshire as it will directly deliver against the UK Government’s Levelling Up missions which are: By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing; By 2030, domestic public investment in Research &amp; Development outside the Greater South East will increase by at least 40% and at least one third over the Spending Review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth (with a UKSPF focus on helping businesses to access innovation support).</p>

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	Denbighshire CC 2021 Business Survey - The project need is also highlighted in fundings from the survey which state one of the main challenges for businesses are to reduce fixed costs, also almost a quarter of responses indicated that they were looking to identify new customers or invest in new equipment. Businesses have also identified a number of actions they require in order to address their business impact on climate change and net zero ambitions.
Briefly describe project activities (150 words)	<ol style="list-style-type: none"> <li>1. A business grant for individual micro and small businesses – this strand will provide targeted support for businesses to undertake new-to-firm innovation, adopt productivity-enhancing, energy efficient and low carbon technologies and techniques, and start or grow their exports. The grant will support larger projects at a 70% capital and revenue grant up to £17,500; and a Micro Business Start Up Grant &amp; Small business grant at up to 80% revenue grant up to £2000.</li> <li>2. A “Business Networks” key fund - This strand will facilitate and support local business and social enterprises to work collectively on developing initiatives which benefit the businesses and the local economy. It will provide support a) for business groups, chambers of trade, business cluster – to realise projects on the ground which benefit them on a collective basis. b) entities which operate in the county seeking to deliver projects targeted at micro and small enterprises including social enterprises.</li> <li>3. Business Grant and Business network Key Fund operation – this will include officer &amp; administration, marketing and communication, project evaluation costs.</li> </ol>
Who will deliver the project? For example subcontractors/partners	<p>The project will be delivered by Cadwyn Clwyd officers, partner organisations and sub-contractors. We will work with the following partners to draw in external knowledge and expertise together with ensuring complementarity of existing support for businesses.</p> <p>Denbighshire CC – in developing and finalising business grant guidance and application material. We will set up a project steering group and a grants panel – DCC will be included on both the project steering groups and grant panel and will have an ongoing role in overseeing the project’s performance and delivery.</p> <p>Business Wales - We will partner with the Business Wales provider(s) and consult with them to ensure the grant avoids duplication of existing provision. Business Wales will also provide business planning advice and guidance as part of their Business Wales contract.</p> <p>DVSC – will be consulted as to the development of support for social enterprises and will provide hands on delivery of support for social enterprises across the county.</p> <p>Sub-contractors will be procured to deliver elements of the key fund as appropriate.</p>
Who will benefit from the project? (150 words)	The project will benefit individual businesses and groups of businesses within Denbighshire. The focus of the project will be on

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	<p>micro and small businesses, which are defined by UK Government as a business which has any 2 of the following:</p> <ul style="list-style-type: none"> <li>• A turnover of £10.2 million or less.</li> <li>• £5.1million or less on the balance sheet</li> <li>• 50 employees or less.</li> </ul> <p>Micro and Small business make up more than 90% of businesses within the county, thus they are a significant element in driving productivity and growth at the county level and beyond.</p>
Outline the Aims and Objectives of the project	<p>The project aim is aligned to the UK-SPF aim to boost productivity, pay, jobs and living standards by growing the private sector, with focus on supporting micro and small enterprises within Denbighshire.</p> <p>Objectives</p> <ul style="list-style-type: none"> <li>• Creating jobs and boosting community cohesion, through investments that build on existing industries and institutions, and range from support for starting businesses to visible improvements to local retail, hospitality and leisure sector facilities.</li> <li>• Promoting networking and collaboration, through interventions that bring together businesses and partners within and across sectors to share knowledge, expertise and resources, and stimulate innovation and growth.</li> <li>• Increasing private sector investment in growth-enhancing activities, through targeted support for micro and small businesses to undertake new-to-firm innovation, adopt productivity-enhancing, energy efficient and low carbon technologies and techniques, and start or grow their exports.</li> </ul>
Where specifically will be project be delivered? (150 words)	The project will be delivered across the whole county. This project builds on the successful pan Denbighshire CRF project implemented by Cadwyn Clwyd whereby businesses received support via grants and project funding across Denbighshire.

## APPLICANT EXPERIENCE AND CAPACITY

What experience does your organisation have of delivering this type, size and scale of project activity? (200 words)	<p>Cadwyn Clwyd (and its predecessor Cadwyn LEADER II) has over 27 years of delivering economic, businesses and community development programmes and projects. It has successfully delivered over £30million in contracts, programmes and projects. Whilst a number of programmes have been focused on rural North East Wales, the company has demonstrable experience and a solid track record of delivering contracts and programmes beyond rural NE Wales, e.g. a £320,000 Smarter Energy Project Pan Wales focusing on developing renewable energy projects within social enterprises; a £2million pan Wales agri-environmental project for farm businesses; and more recently a £600,000 UK Community</p>
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	Renewal Fund across the whole for Denbighshire providing business grants and community funding. The company has robust delivery structures and financial controls in place which are audited by entities such as Welsh Government, Rural Inspectorate for Wales and Audit Wales. The company has a track record of delivering business grants across all sectors within micro and small businesses and has direct experience of enabling, supporting and delivering collaboration projects with businesses. The Company's approach is firmly rooted in hands-on grass-roots delivery and multi partnership working.
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## FINANCIALS

Total project cost	£2,055,192	
Total SPF requested	£2,055,192	
Grant requested in Year 2&3	Year 2&3 £2,055,192	
SPF Revenue and/or Capital?	Revenue £1,505,192	Capital £550,000
Match funding Source and Amount	Source: levered funds from business grants contribution – note this figure is not included in the total project fig above.  Amount £600,000 (of which £562,500 from Business grants 30% match and £37,500 from small grants business 20% match)	
Outline initial cost breakdown	<b>Project Activity</b> Business Grant Micro Business Start Up Grant & Small business grant Business Networks Key Fund Project Management, marketing, communication, external consultancy, evaluation	£1,312,500 £150,000  £284,414 £308,278
How have your budget requirements been estimated? (200 words)	Business Grant (capital and revenue) 75 business grants @ £17,500 = £1,312,500 Micro Business Start Up Grant & Small business grant (revenue) 75 business grants @ £2000 = £150,000 Business Networks Key Fund (revenue) £284,414 - 14 Collaborative project at circa £20k each.	

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	Project management, project officers, marketing, communication, external consultancy, administration, evaluation (revenue and at 15% of project cost) £308,278
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## STRATEGIC FIT

How does the project fit in with local priorities/ strategies? (150 words)	This Key Fund proposal will support Denbighshire's corporate plan aim to work collaboratively with communities and partners to deliver projects and initiatives that will stimulate economic growth. Focus will be on delivery which makes a direct contribution to growing Denbighshire's green economy; supporting rural businesses; regenerating town centres via business support and enhancing the tourism offer by engaging with and supporting tourism related businesses. The overall impact of this intervention will contribute towards strong business growth and economic development, and support the growth of the local social economy, including community businesses, cooperatives and social enterprises.
How does the project fit in with regional / national strategies? (150 words)	<p>Ambition North Wales and Welsh Government - North Wales Regional Economic Framework – the project aligns with the following priority areas within the framework - Skills &amp; Workforce; Investment in magnets, hubs, supply chains, research and development, Innovation and Entrepreneurship; Balanced support for indigenous and inward investors; Food and Drink Industry.</p> <p>North Wales Economic Ambitions Board and North Wales Growth Deal – the project aligns with the vision for the economy of North Wales, promoting and supporting business growth and innovation and improving the infrastructure across the region Improving and upgrading the region's skills base and providing employment growth. This project complements the strategic and regional approach of the Growth Deal as it focuses on interventions at the local and micro levels.</p> <p>North Wales COVID-19 Impact Assessment and Recovery Plan December 2020 (North Wales Economic Ambitions Board) The North Wales Business Survey results identify that high levels of micro and small businesses (less than 50 employees) reported negative impacts due to Covid. This is pertinent given North Wales's disproportionately significant small businesses base (up to 50 employees). The Plan identifies it is clear that North Wales businesses see the need to innovate to overcome the challenges faced by the pandemic. The sentiments expressed by businesses are mainly focused on: Increased remote working, Increasing use of technology, Shift to e-commerce, Adapting &amp; restructuring business models, Rethinking use of premises thus this project via the business grants and business networks key fund will contribute towards enabling businesses to pilot approaches, test ideas and</p>

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	enable small targeted investments to help seize opportunities that emerge.
Consultation and engagement with other stakeholders, partners and potential beneficiaries?	<p>Cadwyn Clwyd implemented a UK CRF funded project within Denbighshire with elements focused on business grants and collaborative projects. The CRF project was designed as a precursor to inform future delivery of SPF within the county. Cadwyn Clwyd undertook both an informal review and also a formal review (via an external evaluator) to consult with business beneficiaries as to the delivery and outcomes of the business support provided.</p> <p>Cadwyn Clwyd implemented a UK CRF funded project within Denbighshire with elements focused on business grants and collaborative projects. The CRF project was designed as a precursor to inform future delivery of SPF within the county. The CRF project evaluation consulted with supported businesses and concluded that the investment would not have taken place without CRF support. Feedback about the impact of the intervention indicated that investments were already contributing to revenue generation or efficiencies by the end of the CRF project. Ongoing consultation is being undertaken with DCC Business Support officers, Business Wales and DVSC (with regards to social enterprises). A review of existing consultation has also been undertaken with sources such as the Denbighshire CC Business Survey.</p> <p>Cadwyn Clwyd is consulting with DCC Business Support officers, Business Wales and DVSC (with regards to social enterprises). A review of existing consultation has also been undertaken e.g. the Denbighshire CC Business Survey.</p>

## PROJECT MILESTONES

Please list your project milestones, and include dates	<ul style="list-style-type: none"> <li>• Pre-approval development, project initiation meeting with stakeholders, internal recruitment for staff roles. Subsidy control evaluation and assessment undertaken. Grant and business networks administration completed to draft (to include guidance, application forms, approvals, monitoring etc). Marketing and communication materials completed to draft form. Liaise with Business Wales and DCC. Draft ITQ and ITT documents prepared for external suppliers - February – March 2023.</li> <li>• Finalise key documents and launch by mid-April. External staff recruitment undertaken (if required). Procure external suppliers - April 2023.</li> <li>• Communication with project beneficiaries launched - April 2023.</li> <li>• Business grant invited and assessed by steering group- April 2023 – March 2024.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Admin and delivery of business grants – March 2024 – October 2024.</li> <li>• Business Networks Key fund applicants, capacity building, developing projects and formalising project ideas – April 2023 – December 2023.</li> <li>• Delivery of key fund projects December 2023 – October 2024.</li> <li>• Quarterly throughout the project – steering group monitoring.</li> <li>• Grants panel monthly from April 2023 – December 2023.</li> <li>• Completion of delivery November 2024.</li> <li>• Final evaluation and project closure December 2024.</li> </ul>
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**SUBSIDY CONTROL**

All bids must also consider how they will deliver in line with subsidy control as per UK Government guidance: <a href="http://www.gov.uk">Subsidy control regime - GOV.UK (www.gov.uk)</a>	
Does any aspect of the project involve the provision of subsidies?	Yes
If yes, briefly explain how the subsidies or state aid are compliant with the UK's subsidy control regime as set out in the guidance (200 words)	<p>The proposed grants and key fund approach will constitute a subsidy scheme as defined in the Act. Cadwyn Clwyd will form the business grant guidance and the business collaboration key fund in line with the subsidy control principles and other requirements in the Act. Cadwyn Clwyd will apply the principles of: <b>Common interest; Proportionality and necessity</b> of intervention; ensure the fund is <b>Designed to change economic behaviour of beneficiary</b>; ensure that grants do not support <b>Costs that would be funded anyway</b>; will adopt the <b>Least distortive means of achieving policy objective</b>; will minimise any negative effects on <b>competition and investment within the UK</b>; will ensure <b>Beneficial effects should outweigh any negative effects</b>. We will follow the statutory guidance which provides a four-part assessment framework to help public authorities ensure that a subsidy is consistent with the principles stated above. Due to the proposed value and intervention of subsidies, it is unlikely the subsidy will constitute meets the definition of a subsidy or scheme of interest (SSoI) or of particular interest (SSoPI). However, the proposed subsidy scheme will be Published on the UK Government subsidy database in line with the Acts requirements. Cadwyn Clwyd will seek specialist advice at each step of designing the support.</p>

**WELSH LANGUAGE**

Does your organisation have a Welsh Language Policy or Statement	Yes
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Can your project deliver through the medium of Welsh?	Yes
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**NET ZERO**

How does the proposal support the UK Government's and Welsh Government's Net Zero policies or wider Environmental ambitions? (150 words)	<p>The project fully supports the UK and WG Governments focus on contributing to net zero objectives and wider environmental considerations. Interventions will be based on low or zero carbon best practice, adopt and support innovative clean tech where possible and support the growing skills and supply chains in support of Net Zero where possible. The project will embrace the clean growth principle and will directly contribute towards the UK's legal commitment to cut greenhouse gas emissions to net zero by 2050.</p> <p>To support green growth, both business grants and business network key funded projects will be required to consider how supported projects can work with the natural environment to achieve project objectives, and – at a minimum – consider the project's impact on our natural assets and nature.</p>
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**EQUALITY**

Please describe how you have considered the equalities impacts of your proposal, the relevant affected groups based on protected characteristics, and any measures you propose in response to these impacts (150 words)	<p>Cadwyn Clwyd will ensure that a proactive approach is taken to maximising opportunities in terms of the contribution of the project towards protected characteristic groups as set out in Equality Act 2010. In this context, all staff, delivery partners, project partners and sub-contractors will be fully briefed on the protected characteristics at the outset of the project and consideration as to how each funded activity can make a positive contribution to the protected characteristic groups will be undertaken. This process will also involve careful consideration by Cadwyn Clwyd to ensure that no disproportionate negative effects occur to the protected characteristic groups via delivery aspects of this project. As such, Cadwyn Clwyd will:</p> <ul style="list-style-type: none"> <li>- Consider and implement where appropriate the tailoring of SPF funded actions to accommodate the access needs of protected characteristic groups.</li> <li>- Develop monitoring processes which include specific equality indicators.</li> <li>- Actively engage with equality organisations and groups representing those with protected characteristics to ensure that the benefits of this SPF investment are maximised for those groups.</li> </ul>
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**PROJECT APPLICANT STATEMENT**

*I declare that I have the authority to represent the project applicant organisation in making this application.*

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*I understand that acceptance of this Stage 1 application form does not in any way signify that the project is eligible for funding under the UK Government Shared Prosperity Fund or that any such funding has been approved towards it.*

*On behalf of the project applicant and having carried out full and proper inquiry, I confirm:*

- *the project applicant has the legal authority to carry out the project; and*
- *the information provided in this document is accurate.*

*I also confirm that:*

*I have informed all persons whose personal information I have provided of the details of the personal information I have provided to you and of the purposes for which this information will be used, and that I have the consent of the individuals concerned to pass this information to you for these purposes;*

*I consent to the Personal Data submitted with this form being shared as set out in this form and in accordance with the North Wales Local Authority Privacy Policies and the UK Government Privacy Policies.*

*I shall inform the Local Authority if, prior to any UK Government Shared Prosperity Fund being legally committed to the project applicant, I become aware of any further information which might reasonably be considered as material to the Local Authority in deciding whether to fund the proposal; Any match funding that has been set out in the application will be in place prior to any award of UK Shared Prosperity Fund; and*

*I am aware that if the information given in this application turns out to be false or misleading, the Lead Authority (where relevant) may demand the repayment of funding and/or terminate a funding agreement pertaining to this proposal.*

*I confirm that I am aware that checks can be made to the relevant authorities to verify this declaration and any person who knowingly or recklessly makes any false statement for the purpose of obtaining grant funding or for the purpose of assisting any person to obtain grant funding may be prosecuted. A false or misleading statement will also mean that approval may be revoked and any grant may be withheld or recovered with interest.*

*I confirm that I understand that if the project applicant commences project activity, or enters in to any legally binding contracts or agreements, including the ordering or purchasing of any equipment or services before the formal approval of the project, any expenditure is incurred at the organisation's own risk and may render the project ineligible for support.*

*I confirm that by submitting this application I declare that all the above statements are true and that the information provided is accurate*

<b>Signature</b>	Lowri Owain
<b>Position in Organisation</b>	Company Manager