

*How's*

**BUSINESS**

A photograph of a woman with dark hair and glasses, wearing a black top, smiling broadly while talking to a man whose back is to the camera. They appear to be in a professional or business setting. The background is softly blurred, showing what might be office equipment or a window.

**The business  
owner's guide to  
*local funding***



# What's How's Business

Hello. First of all, we'd like to say a big thank you for downloading our guide.

We're How's Business, the growth hub for York, North Yorkshire and East Riding.

We're one of 39 growth hubs set up by the Department for Business Innovation and Skills.

Our role is to make it easy for business owners like you to find the support you need. This could be to locate funding, help with marketing or advice on how to expand your set-up.

As our patch is quite rural, travel times can really cut into your day. So we try to focus on what's available locally. We've got a website, [www.howsbusiness.org](http://www.howsbusiness.org) that plays a vital role in offering advice from anywhere with an internet connection.

We hope you find our guide really useful.

# Introduction

Funding, Let's face it, finding what's out there and what's right for your business can be pretty tough. It's hardly a surprise then, that the most frequent question we get asked, is what funding is available for businesses.

We put together this guide to help you find available funding. We've not included the highstreet banks in our list, instead we've focused on the opportunities that aren't so easy to find.

## Contents

### Grants— Page 3

When it comes to grants, there are only a limited number of them available. Most grants are tied to job creation and very few of them will cover the full costs of a project. That means you need to be able provide some cash from your own reserves or from a loan.

### Loans— Page 12

The good news is, if you need a loan to grow your business and you're having difficulty raising finance from the bank, there are a lot of other options out there that can cover everything from a few thousand pounds all the way to a million.

## A note on some of the terms for businesses

Some of the this guide's funding opportunities say they need applicants to be micro, small or medium businesses. Within the UK, there is no consistent definition for these sizes and most funding providers refer to EU definitions. Those definitions are:

**Micro businesses:** fewer than 10 employees and an annual turnover (the amount of money taken in a particular period) or balance sheet (a statement of a company's assets and liabilities) below €2 million.

**Small businesses:** fewer than 50 employees and an annual turnover or balance sheet below €10 million.

**Medium-sized businesses:** fewer than 250 employees and annual turnover below €50 million or balance sheet below €43 million.

## Disclaimer

This guide isn't supposed to act as a substitute for professional financial advice and we can't tell you what funding is right for your business. This guide's sole purpose is to signpost you towards where you can get funding from.



# Grants

We've pulled together all the info you need to know about the grants that are available to business owners in York, North Yorkshire and East Riding.

A word of warning to the wise, there aren't a lot of grants on offer and grants are often very restrictive in what they'll fund.

Most grants come from the public sector and providers will want to see a good return on their tax payers money, so very often grants are tied directly to the creation of jobs and improvements to the local economy.

If you're looking for funds that offer a greater deal of flexibility and that cover larger amounts, then you might want to take a look at our loans section on [page 12](#).

# Business Start-up Grant - Scarborough

## Description

A scheme to encourage the formation of new enterprises and assist in the creation of jobs in Scarborough.

## How much is available

Grant funding of up to 50% of eligible costs to a maximum of £1,000.

Grants are claimed retrospectively.

## Who can apply

The Business Start-Up Grant is targeted at new start-ups and companies less than 18 months old in the borough of Scarborough. The grant is available to the manufacturing sector and most service sector businesses excluding retail, personal services, holiday accommodations, restaurants/cafes and estate agents.

## Find out more

Telephone: 01723 232325

Email: [business.support@scarborough.gov.uk](mailto:business.support@scarborough.gov.uk)

Web: <http://www.scarborough.gov.uk/home/business-licensing-and-grants/grants/business-development-grants>

# The John Cracknell Youth Enterprise Bank

## Description

Funding is available for young people to develop their enterprising ideas.

## How much is available:

Up to £ 1,000.

## Notes

Grants of up to £1,000 are available, although in exceptional circumstances grants above this figure may be provided.

The Youth Enterprise Bank (YEB) also offers practical help with developing business ideas.

## Who Can Apply

To be eligible, applicants must be a young person or a group of young people aged up to and including 21 years and living in Hull, East Riding and the towns of Malton, Pickering and Scarborough.

## Find out more

Telephone: (01482 613 489)

Email: [Charles.cracknell@hullcc.gov.uk](mailto:Charles.cracknell@hullcc.gov.uk)

Web: [Youthenterprise.co.uk](http://Youthenterprise.co.uk)

# Business Expansion Grant - Scarborough

## Description

The Business Expansion Grant is aimed at existing businesses within the Scarborough borough that may be looking to strengthen their market position or expand into new markets. It is also available for businesses relocating into the area.

## How much is available

Assistance is provided up to a maximum of £5,000 in any one year.

If successful, the applicant will need to provide 50% of funding towards expenditure incurred up to the maximum award of the grant. Grants are claimed retrospectively.

Assistance is targeted primarily at revenue schemes rather than capital projects, and will be based on a specific need having been identified through the development of a business plan.

## Who can apply

Assistance is available to existing businesses within the Scarborough borough that may be looking to strengthen their market position or expand into new markets, and also businesses relocating into the area. The Grant is available to the manufacturing and most service sector businesses, excluding retail, personal services, holiday accommodations, restaurants/cafes and estate agents.

## Find out more

Telephone: 01723 232325

Email: [business.support@scarborough.gov.uk](mailto:business.support@scarborough.gov.uk)

Web: <http://www.scarborough.gov.uk/home/business-licensing-and-grants/grants/business-development-grants>

# Leeds City Region Skills Service

## Description

Support and funding for businesses located in the Leeds City Region to develop the skills of their workforce.

## How much is available:

Between £500 and £50,000

Businesses must be able to contribute a minimum of 50% of training costs in order to be eligible to receive funding.

## Who can apply

To be eligible to receive support from the Skills Service, businesses must be based in the Leeds City Region, ie Leeds, Craven, Harrogate, Selby, Bradford, York, Calderdale, Kirklees, Wakefield or Barnsley. Businesses should be able to qualify as a small or medium enterprise.

Applicants must operate within one of the following priority sectors:

- Creative and Digital.
- Finance and Business.
- Healthcare and Medical Technology.
- Hospitality and Tourism.
- Low Carbon, Environment Technology and Construction.
- Manufacturing and Engineering.
- Operations and Logistics.

## Find out more

Telephone: 0113 3861 831

Email: [skills@the-lep.com](mailto:skills@the-lep.com)

Web: <http://www.the-lep.com/our-work/skills/skills-support-for-small-businesses/>



# Yorkshire Dales Sustainable Development Fund

## Description

Grants are available for sustainable new business ideas and community projects in the Yorkshire Dales. The Sustainable Development Fund (SDF) aims to support projects that result in positive benefits for the National Park, its environment, its economy, and its communities.

## How much is available

There is no set minimum or maximum grant. However, the total fund available is £140,000 per year and the provider normally aims to support at least 15 to 20 projects with it.

Registered charities and voluntary/community groups can apply for up to 75% of a project's costs. All other types of applicants can apply for up to 50% of project costs.

## Who can apply

Assistance is available to individuals, businesses, local authorities and community groups in the Yorkshire Dales.

## Find out more

Email: [sdf@yorkshiredales.org.uk](mailto:sdf@yorkshiredales.org.uk)

Web: <http://www.yorkshiredales.org.uk/living-and-working/sdf>

# Leeds City Region LEP Grants

## Description

A scheme to assist small and medium sized businesses who are based in the Leeds City Region, or planning to invest there.

## How much is available:

Grants of between £10,000 and £500,000 are available.

Applicants must provide £4 of private sector funding for every £1 spent.

## Who Can Apply

In order to receive funding the project must be an SME creating permanent new jobs in the Leeds City Region (which covers the local authority areas of Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield and York).

Projects must support the City Region's key growth sectors, specifically:

- life sciences and related industries;
- digital and creative industries;
- food and drink;
- low carbon and environmental industries;
- manufacturing; and
- financial and business services.

The provider only consider applications from businesses outside key growth sectors on an exceptional basis, if they demonstrate significant economic impact and/or significant regeneration benefits for the whole city region.

## Find out more

Telephone: 01133 481818

Email: [Businessgrowth@the-lep.com](mailto:Businessgrowth@the-lep.com)

Web: <http://www.the-lep.com/for-business/business-finance/lep-grants/>

# Tees Valley & Vale of Mowbray LEADER

## Description

Financial assistance is available for farmers, foresters, rural businesses, social enterprises and community organisations based in the Tees Valley & Vale of Mowbray LEADER area.

The provider is looking for project ideas that will:

- Market and promote the products and services of the Tees Valley & Vale of Mowbray rural economy to a wider local, national and international market of consumers, businesses and visitors.
- Integrate rural and urban economies.
- Promote sustainability through business resilience, resource efficiency, rural farming structure and rural community vitality.

## How much is available

Applications must be for at least £2,500 and a maximum grant amount of £35,000. Grants will typically be limited to a maximum of 40% of the project's total eligible costs. However some types of projects can get higher rates.

## Who can apply

The programme is open to: Small & micro rural enterprises, farm businesses, forest and woodland enterprises, tourism businesses, community groups and individuals that are based in the designated rural areas of Hartlepool, Stockton, Middlesbrough, Darlington and part of Hambleton District.

## Find out more

Telephone: 01642 213852

Email: [nwhite@teesvalleyrcc.org.uk](mailto:nwhite@teesvalleyrcc.org.uk)

Web: <http://tvvmleader.org/>

# Let's Grow North & East Yorkshire

## Description

Let's Grow North & East Yorkshire provides grant support for capital investment and R&D projects that will create new, sustainable jobs in North Yorkshire, the City of York and the East Riding of Yorkshire. Grant support is available for business expansion and diversification and is designed to help firms to expand their operations or to set up new establishments in the region.

## How much is available

Grants of £25,000 to £1 million are available and the levels of support offered range from 10% to 25% of the eligible project expenditure. The level of support offered in each case will be determined by factors including the location of the project, the type of expenditure involved, the size of the company and the level of job creation. The maximum percentage of grant support offered per project depends on the size of the company and the geographic location of the project.

Grants are offered as a percentage of the eligible project expenditure as shown in the table below:

Size of Company	Non Assisted Area	Assisted Area
Large	0%	10%
Medium	10%	20%
Small	20%	30%

## Who can apply

Let's Grow is aimed towards manufacturing businesses and service sector businesses offering more than a local service. Grants are available to businesses of all sizes, with higher levels of support available to SMEs.

SMEs will be eligible for Let's Grow grants in any area of North Yorkshire, the City of York and the East Riding of Yorkshire.

## Find out more

Telephone: 01913 898434

Email: [letsgrowney@be-group.co.uk](mailto:letsgrowney@be-group.co.uk)

Web: <http://www.be-group.co.uk/services/commercial-development-programmes/lets-grow-programmes/lets-grow-north-east-yorkshire/>



# Loans

Loans are the traditional way of raising finance for a business, and although banks are now becoming more willing to lend to small business owners, there are still times when business owners need to look beyond highstreet lending.

Fortunately, there's no shortage of different lending solutions depending upon the size, age and ambitions of your business.

# Five Lamps Organisation - Regional Growth Fund Loan

## Description

The Regional Growth Fund is a government backed scheme to support SMEs and social enterprises struggling to access high street bank lending. The aim of the funding is to help to create and safeguard jobs in the area, helping local businesses and the economy grow.

## How much is available

Loans are available from £2,500 to £100,000.

Unsecured business loans are available with flexible terms to suit needs.

## Who Can Apply

Business owners located in the North East and Yorkshire.

## Find out more

Telephone: 01642 608316

Email: [info@fivelamps.org.uk](mailto:info@fivelamps.org.uk)

Web: <http://www.fivelamps.org.uk/loans/regional-growth-fund-loan/>

# Start-up Loans

## Description

Start-Up Loans, are a Government backed national initiative aimed at motivated individuals who are yet to launch their own business or those who have been trading for up to 12 months, although in certain circumstances this may be extended to 24 months.

## How much is available

Loans are available starting from £250 up to £25,000.

Typical loan terms of 1-3 years (in exceptional cases up to 5 years).

A fixed interest rate of 6% with no arrangement fees.

## Who can apply

Anyone who is looking to start a business or who has been trading for up to 12 months and is aged over 18.

## Find out more

Telephone: 0203 418 0890

Web: <https://www.startuploans.co.uk/>

# Business Enterprise Fund– Small loans to businesses

## Description

These loans are for clients who are unable to secure finance for their business through the banks. Lending is available for up to 100% of the funding need. Packages include business advice and payment flexibility.

## How much is available

UNSECURED LOANS £500 – £25,000 19.8% – 23%

- Terms up to seven years
- Any age of business, all sectors, including retail
- Interest only payment periods available

## Who Can Apply

Assistance is available to businesses across West and North Yorkshire. It supports start-up and existing businesses and will consider applications from any business sector.

## Find out more

Telephone: 0800 080 3145

Email: [info@befund.org](mailto:info@befund.org)

Web: <http://www.befund.org/loans/>



# Business Enterprise Fund– Medium loans to businesses

## Description

The provider lends to businesses that fall into the riskier categories. Loans also fill the gap from other lenders when security is insufficient for the full lend requirement.

## How much is available

UNSECURED LOANS £25,000 – £50,000 12% – 19.8%

- Terms up to seven years, interest only payment periods available
- Flexible rates and co-funding considered
- Lending for all business purposes, including cash-flow

## Who Can Apply

Assistance is available to businesses across West and North Yorkshire. It supports start-up and existing businesses and will consider applications from any business sector.

## Find out more

Telephone: 0800 080 3145

Email: [info@befund.org](mailto:info@befund.org)

Web: <http://www.befund.org/loans/>

# Five Lamps Organisation - New Enterprise Allowance Loan Service

## Description

On behalf of the Start Up Loan Company, Five Lamp administers the New Enterprise Allowance which includes financial assistance in the form of loans. This assistance is available to people on Jobseekers' allowance looking to start their own business.

## How much is available

A weekly allowance worth £1,274 over 26 weeks, paid at £65 a week for the first 13 weeks and £33 a week for a further 13 weeks.

The facility to access a loan of up to £2,500 to help with start-up costs, subject to status.

## Who can apply

Applicants who are on Jobseeker's Allowance.

The local Job Centre Advisor will let the applicant know if they are eligible to be signed up to NEA and if so, they will get access to a volunteer business mentor who will provide guidance and support as they develop their business plan and through the early months of trading.

## Find out more

Telephone: 01642 608316

Email: [info@fivelamps.org.uk](mailto:info@fivelamps.org.uk)

Web: <http://www.fivelamps.org.uk/loans/new-enterprise-allowance-nea-loan/>

# Business Enterprise Fund–

## Large secured loans to businesses

### Description

Secured loans are calculated to give the best value to the client, combined with the support and advice Business Enterprise Fund provide. Every loan is tailored personally for the business.

### How much is available

SECURED LOANS £50,000 – £150,000 12% – 19.8%

- Terms up to seven years for asset procurement
- Flexible rates and co-funding considered
- Adverse client history also considered

### Who Can Apply

Assistance is available to businesses across West and North Yorkshire. The loan supports start-up and existing businesses and will consider applications from any business sector.

### Find out more

Telephone: 0800 080 3145

Email: [info@befund.org](mailto:info@befund.org)

Web: <http://www.befund.org/loans/>

# Royal Bank of Scotland and NatWest Small Business Fund - North East

## Description

A loan programme designed to support small businesses in the North East and Yorkshire, targeting both new and existing Royal bank of Scotland or NatWest customers looking to grow or diversify their business.

## How much is available

Up to £250,000

The fund will offer new borrowing with fixed rate loans from £1,000 to £250,000 with no arrangement fee.

## Who Can Apply

The fund will target both new and existing business customers of the Royal Bank of Scotland or NatWest in the North East and Yorkshire.

## Find out more

Telephone: 0345 600 2230

Web: <http://www.business.rbs.co.uk>

# Leeds City Region LEP

## - Growing Places Fund

### Description

A Fund to support infrastructure projects that will help to accelerate economic growth, deliver new jobs and remove barriers to development in the Leeds City Region economy.

### How much is available:

Loans of between £500,000 and £1 million are available. Only in very exceptional circumstances would a smaller or larger loan be considered.

Appropriate security (likely to include a charge on any land) will be required for all loans.

£3 of private sector funding will be required for every pound of Growing Places Fund given.

### Who can apply

The fund is open to all businesses and organisations of any size based in or looking to invest in the city region. Applications from small and medium-sized enterprises are particularly welcome.

Organisations must be based in the local authority areas of Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield and York.

Applicants are advised to contact their local authority/ies, before completing an expression of interest. Each authority will have its own infrastructure priorities based on an evidence base and the contribution that the project will make to those local priorities must be clear.

### Find out more

Web: <http://www.the-lep.com/for-business/business-finance/lep-loans/>



# Next steps

Still not sure what's right for you? Well, before we say goodbye we thought we'd offer you a few more places you can go for advice.

## The National Business Support Helpline:

If you need some free advice for your business. Give the folk at the National Business Support Helpline a ring. Their advice is free, and the number is **0300 456 3565**

## Funding articles on How's Business

We've got stacks of useful articles on funding for small business owners on the How's Business website, all of which were written by real, local business experts.