

# New Markets 2 Express Guidance



This guidance is to support SMEs to apply for the New Markets 2 Express grant.

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## 1. What is New Markets 2 Express?

New Markets 2 Express grants are part funded by the European Regional Development Fund and are part of the wider [New Markets 2](#) programme that has been running across the Liverpool City Region since January 2016.

The New Markets 2 ERDF programme (NM2) offers a portfolio of business support services to Liverpool City Region SMEs, who have an ambition to grow their business. These support services are provided by the following delivery partners:

- [Growth Platform](#)
- [St Helens Chamber](#)
- [Liverpool Chamber of Commerce](#)
- [University of Liverpool](#)

Each delivery partner offers a bespoke support service to help with business growth needs. Services include commercial consultancy grants, export related grants and leadership development support. Previous NM2 delivery partners were:

- Agent Marketing
- Blackburne House
- Downtown in Business
- High Performance Consultancy
- Mersey Maritime, Sci Tech Daresbury
- The Women's Organisation

To date the programme has supported in excess of 1,200 SMEs across the Liverpool City Region.

Growth Platform's element of the programme allows eligible SMEs in Halton, Knowsley, Liverpool, Sefton and Wirral to access a grant towards project costs of consultancy or agency fees, to help achieve their growth ambitions. Projects can cost between £3,000 and £35,000 in value and MUST be fully completed and suppliers paid by 15<sup>th</sup> June 2023, there is no leeway on this deadline date.

New Markets 2 Express is for projects of between £3,000 and £5,000 that will generally take less than 3 months to complete, with an absolute completion date of 31<sup>st</sup> May 2023. The NM2 Express allows SMEs to forward their application together with 3 quotes from suitable suppliers, negating the need for the standard NM2 procurement procedure.

## 2. What can the grant be used for?

The grant can be used towards project costs of consultancy or agency fees, to help achieve your business achieve its growth ambitions.

Examples of eligible expenditure include:

- Review of the business strategy
- Strategic review of business models
- HR, financial and legal advice
- Coaching and mentoring in leadership and management development / Change management
- Innovation strategy to adapt and diversify products/services
- The introduction of new technology
- Developing or revising marketing/digital strategies to reach new markets
- Mitigating the impact of social distancing measures
- Rebuilding a viable business model
- Developing product offerings
- Legal and environmental health compliance
- Skills analysis and development plans
- Workforce management
- Employee engagement, welfare and wellbeing

Please note these are examples only and not an exhaustive list.

Exclusions from Growth Platform's New Markets 2 Express grant:

- cannot fund statutory requirements
- cannot fund capital expenditure
- cannot fund training, but can fund coaching (If you are looking for training support, you can contact the [Skills Brokerage Service](#))

### 3. Eligibility Check

Before you begin to complete the Application Form, please ensure your business is eligible to apply by using the checklist below –

<p><b>The business is an SME</b> An SME has less than 250 employees and an annual turnover of less than £45.1m or a balance sheet of less than £38.8m* *There are some exceptions to this, if you are part of a larger group for example. This will be assessed as part of your application.</p>	<input type="checkbox"/>
<p><b>The business is based in Halton, Knowsley, Liverpool, Sefton or Wirral.</b> Businesses based in St Helens should contract St Helens Chamber to access New Markets 2.</p>	<input type="checkbox"/>
<p><b>The business can evidence trading</b> This can either be via bank statements, company accounts or sales &amp; purchase invoices We will contact you if we require any of these items</p>	<input type="checkbox"/>
<p><b>You have not already engaged a supplier to deliver the work and the work has not already begun</b> NM2 Express cannot fund work if you have already engaged with a supplier to carry out the work, nor can NM2 Express fund work that has already begun. The application must be for a new piece of work.</p>	<input type="checkbox"/>
<p><b>The SME is projected to increase its turnover by 5%+ per annum for the next 3 years</b></p>	<input type="checkbox"/>
<p><b>The SME anticipates creating at least 1 job as a result of this funding, within the next 3 years</b></p>	<input type="checkbox"/>
<p><b>The business has not already accessed New Markets 2 support from Growth Platform, LCR LEP or any other NM2 partner</b></p>	<input type="checkbox"/>
<p><b>The business has not exceeded €200,000 of support in the last 3 last 3 fiscal years</b></p>	<input type="checkbox"/>

If you can tick all the boxes above, then please see below for how to complete and submit a New Markets 2 Express Application.

## 4. How to complete an application

### Section 1 - Previous New Markets 2 support

Please tick next to the relevant partner if you have received or are in the process of receiving NM2 support from them. Please note if you have already accessed this programme via Growth Platform, LCR LEP or any other partner you will not be eligible for further support.

### Section 2 - Business Information

Please complete all boxes, we may need check details around ownership with you once we have received your form, so please ensure the information you give is accurate.

### Section 3 - Forecasting

Please enter your turnover and profit forecasts for the next 3 years. Please be aware that to be eligible for this grant SMEs must project a 5% per annum increase for the next 3 years.

### Section 4 - Growth Plan

Please provide full details of what project you are seeking funding for, how this will help with your business growth and the anticipated number of jobs the funding will help you create.

You should provide enough detail that the Commercial Broker assessing your application has a full understanding of your project and the impact it will have on your business growth.

### Section 5 - Project Detail

- **Project Title** – please give your project a title i.e., Marketing Support, New Website, Business Strategy Support
- **Project Cost** – this should be the full amount of the work described above. The grant will pay 35% of any eligible costs. The grant does not pay VAT, so all costs must be exclusive of VAT.
- **Quotes** – You will need to obtain and submit three written quotes from three separate suppliers. These quotes must be dated within the 30 days preceding your application submission.

Written quotes can be, for example, an emailed price from a supplier or a pdf of a tailored quote. The 3 quotes need to be for the same work and must be comparable.

The supplier you chose should be the cheapest quote. If all the quotes are for the same price you will need to explain how the chosen quote offers the best value for money.

These quotes should be submitted, along with your completed NM2 Express application form to [newmarkets@growthplatform.org](mailto:newmarkets@growthplatform.org)

## Section 6 - De Minimis Aid Declaration

To confirm that you are eligible to receive this assistance you must declare the full amount of De Minimis Aid/Subsidy you have already received over the last 3 fiscal years.

If you are in any doubt whether aid received was De Minimis aid or about its value, check with the organisation, which provided it. If they are unable to say or there is any uncertainty, assume that it was De Minimis aid unless its value exceeded €200,000 in which case it cannot have been De Minimis. Any De Minimis state aid awarded to you under this project will have to be declared if you apply, or have applied, for any other De Minimis aid.

No need to sign the form, once it has been reviewed by a Commercial Broker, we will forward the application back to you via Signable to allow you to sign the application electronically.

## 5. What happens once my application has been submitted?

Your application will then be reviewed by one of our Commercial Brokers. We will check:

- that your business is eligible, taking into consideration any partnered and linked businesses, previous state aid received etc
- that your project is eligible for support, and within the parameters of the fund
- that your quotes are valid and comparable

Ensuring you provide enough information to allow us to carry out these checks will allow us to decide on your application quickly. Any missing or unclear information could significantly delay your application.

If your application is accepted, you will be sent a Grant Funding Agreement (see example at Annex 1) confirming how much funding you have been awarded for your project and the Terms and Conditions of the grant.

The Grant Funding Agreement will explain your obligations relating to the grant and how you need to proceed with your supplier and subsequently claim the funds.

Should you have any further questions please do not hesitate to email [newmarkets@growthplatform.org](mailto:newmarkets@growthplatform.org) where a member of the team will be able to help.

## ANNEX 1 – Example Grant Funding Agreement

**Date of Agreement**

Click or tap to enter a date.

### New Markets 2 Grant Funding Agreement

Growth Platform is pleased to offer **NAME** (the SME) a grant from the New Markets 2 Programme. The SME is receiving De Minimis Aid (Commission Regulation (EU) No 1407/2013, OJ L 352/1) support from the **ERDF Liverpool City Region New Markets 2 Project**.

<p>a. <b>Project</b> b. Name of project the New Markets 2 Programme is offering to support</p>	
<p>c. <b>Supplier</b> Name of supplier (the supplier) contracted to carry out the work as a result of an ERDF compliant procurement process</p>	
<p>d. <b>Total Project Cost</b> Total cost of the project as detailed in the Service Agreement between the SME and the Supplier</p>	
<p>e. <b>35% Growth Platform Grant £</b> Total offer of ERDF support from the New Markets 2 Programme in GBP</p>	
<p>f. <b>35 % Growth Platform Grant €</b> Total expected value of ERDF support from the New Markets 2 Programme in EUROS for De Minimis purposes.</p>	
<p>g. <b>65% SME Contribution</b> Value of SME contribution – 65% of total project cost</p>	
<p>h. <b>Completion Date</b> Date the project will be completed</p>	
<p>i. <b>Anticipated Number of Jobs Created</b> Number of jobs the SME anticipates will be created</p>	

1. The SME will pay the Supplier in full upon satisfactory completion of the project
2. The SME will claim the grant from the Growth Platform as per the Claim Instructions in Annex 1 of this Funding Agreement
3. The SME must not vary or deviate from the Project as agreed with the supplier in the Service Agreement without the prior agreement of your Growth Platform Commercial Broker
4. The SME must commence to carry out the Project as soon as reasonably practicable after the date on which you accept this offer and thereafter you must proceed diligently with and complete the Project
5. The SME will endeavor to create the jobs as detailed in section h. above
6. The SME will provide all requested auditable documentation list in Annex 1 of this Funding Agreement in a timely manner
7. The SME agrees to retain original documentary evidence in line with the 14-20 ERDF Document Retention Requirements (Annex 1)
8. In the event the SME ceases trading, the documentation must be passed to Growth Platform to retain as per the 14-20 ERDF Document Retention Requirements (Annex 1)

9. The SME must provide Growth Platform with evidence of jobs created as specified in Annex 1
10. Grants may be publicised and if requested you must provide a description of the project which you are happy to circulate in press releases and marketing material
11. It is proposed that the assistance provided will comply with the State Aid rules since it will be provided in line with the De Minimis exemption (in accordance with Commission Regulation (EU) No 1407/2013, OJ L 352/1). Under this exemption a single undertaking may receive up to the limit of €200,000 of De Minimis aid from the Member State within which it does business and which provides the aid over any period of three fiscal years
12. The potential value of this support for De Minimis Aid purposes is detailed in Section e above
13. You may need to declare this amount to any other UK public body intending to provide aid, in addition to any audit or other investigation, and who requests information from you on how much De Minimis aid your business has received. Therefore, we strongly recommend that you maintain a record of this De Minimis assistance for future reference. For the purposes of the relevant legislation, you must retain this letter for 3 years from the date on this letter and be able to produce it on request by the UK public authorities or the European Commission. You may need to keep this letter longer than 3 years for other purposes
14. We will need to know if work is significantly altered. Otherwise, you are in breach of contract, and your grant can be removed at any point in time

Signed on behalf of Growth Platform

Signature	
Date	
Name	Lisa Duddridge
Position	Programme & Compliance Manager

Signed on behalf of **BUSINESS NAME**

I can confirm that **Business Name** wish to accept the grant and that we fully understand and will follow the terms and conditions of the grant.

Signature	
Date	
Name	
Position	



## Terms and Conditions

The New Markets 2 fund is part funded by the European Regional Development Fund (ERDF) and as such is subject to specific rules and regulations. If you were to be successful in your application, you will need to act in accordance with these Terms and Conditions. Growth Platform Commercial Brokers will assist you with the processes details of which are below.

### 1) Procurement

*If you have applied via the New Markets 2 Express application process, you will already have obtained 3 quotes and evidence value for money so the process below will not be applicable.*

The project to be funded will need to be procured in line with ERDF procurement rules. These rules ensure that the principals of openness and transparency and equal treatment are adhered to.

Growth Platform have a procurement pack that contains suggested templates of the required procurement documentation. This documentation includes the minimum detail to ensure compliance with ERDF rules. If you prefer to use your own documentation, please ensure the minimum detail is included. Please note the European logo **must** be used on all documentation.

#### a) Procurement Process

##### i) Request for Quotation (RfQ)

- Value for money must be demonstrated by obtaining 3 quotes. The RfQ template can be used to request quotes from suppliers.
- You can amend the 'evaluation criteria' section to suit your requirements but you will need to assess the tenders on the basis of these criteria.
  - The chosen criteria **MUST** be directly linked to the goods, services or works to be provided and cannot relate to past performance of the supplier
  - The chosen criteria **MUST** be aimed at identifying the most economically advantageous tender and cannot be aimed at any other purpose
  - The criteria **MUST** be objective and objectively quantifiable
- The RfQ must have a deadline for receipt of tenders.
- Growth Platform will advertise the RfQ on <https://growthplatform.org/tenders/> for a minimum 10 days to aid the process but you should still seek quotes from relevant suppliers to ensure that 3 quotes are received.

##### ii) Evaluation

- You must demonstrate how you have chosen the preferred supplier. An Evaluation sheet is included in the procurement pack to be used to evaluate each quotation you have received. This needs to be completed electronically & printed & signed once completed. This will assist you to choose the most competitive tender.
- Ensure that the 'criteria' on the evaluation sheet matches those quoted in the RfQ.
- Evaluations must not be done before the deadline date on the RfQ.
- Ensure all tenders were received before the deadline on the RfQ – any tenders received after this date should not be evaluated.

Growth Platform will need copies of tenders and evaluations to retain on file for audit purposes.

## 2) Grant Funding Agreement

If your project is successful at this stage Growth Platform will issue you with a Grant Funding Agreement which will need to be signed and returned along with signed copies of the supplier Offer Letter, Decline Letters and Service Agreement (see below).

## 3) Offer Letter and Decline Letters

Once you have chosen a supplier an Offer Letter should be given to them informing them that they have been successful and decline letters should be sent to the unsuccessful suppliers. Templates are included in the Procurement pack.

These letters should be dated **after the GFA** has been issued.

## 4) Service Agreement

Once you have received your Funding Agreement from Growth Platform you can enter into a contract with your supplier. The Service Agreement is between the business procuring the work (this should be the same as the business name on the New Markets 2 Application Form) and your chosen supplier. This should include detail of all work to be carried out along with costs and timescales.

## 5) Publicity

There are strict rules relating to the publicity of ERDF programmes. The European Commission see the ERDF logo (above) as being one of the most important communication tools for ERDF programmes. It is mandatory that the logo is used and applied correctly, prominently and consistently on all publicity materials produced. It is a condition of receiving a New Markets 2 Grant that you include the ERDF logo where possible.

## 6) Evidence

You should be aware that in order to claim the grant from this programme you will need to provide Growth Platform with evidence that you have paid your supplier. Documentation will include, but is not limited to;

- Procurement documentation
- Proof of internet advert
- Copies of invoices
- Copies of bank statements to prove payment of invoice (unrelated transactions can be blanked out)

## 7) Claims Process

Once the work agreed in your Funding Agreement has been completed to your satisfaction and you have paid your supplier you can claim the 35% contribution from Growth Platform. Please note do **not** pay your supplier ahead of having the work completed to your satisfaction. Payment to a supplier before the work is complete could result in your Grant Funding offer being withdrawn or funding needing to be repaid back to Growth Platform.

- The business applying for the grant, the contracting business and the business paying for the work must be the same.
- Payment for the work must come out of a bank account in the same name as the business named on the original application.
- Payment can only be claimed once all contracted work has been fully completed to your satisfaction and paid for.
- The grant is exclusive of VAT. VAT paid to your supplier is not eligible for reimbursement and you should not include VAT in your invoice to the Growth Platform

Please forward all the documentation detailed below to allow Growth Platform to process your payment in line with ERDF rules and regulations:

- Copy of invoice from your supplier. This needs to be certified as a true copy of the original **by the business claiming the grant**. Therefore, the following wording must be written on the invoice & signed & dated stating the person's position & organisation.

"I certify that this is a true copy of the original document and the original is available on request:

Signed:

Date:

Position in organisation:

Name of organisation:"

- Copy of a bank statement showing the payment leaving your bank account. This again needs to be certified as a true copy of the original **by the business claiming the grant** – the wording above should be used. Please feel free to blank out any information not relating to this claim i.e., other unrelated transactions, balances or account numbers. However, can you please ensure the statement clearly shows your company name.
  - If online banking is used, the bank statement must have the bank name and account name clearly visible and must be in a PDF or other format that cannot be manipulated. A download of transactions to an excel spreadsheet is not acceptable.
  - If the payment was made by credit card this is not classed as payment. You will need to provide evidence that the credit card balance has been repaid.
- Your invoice for the 35% (exclusive of VAT)

Please return all the above documentation to: [NewMarkets@growthplatform.org](mailto:NewMarkets@growthplatform.org)

Claims for payment will normally be made on a quarterly basis at the end of March, June, September and December.

## 8) Document Retention

You are required to ensure that all original documentation relating to your project, its implementation and its financing are retained until a date to be notified by the Secretary of State, this is currently expected to be at least 31<sup>st</sup> March 2033.

You should ensure you are able to make original documentation or verified true copies relating to your project and its implementation and its financing available to auditors when required.

## 9) Jobs Created

Your Funding Agreement will include a number for jobs you anticipate creating as a result of support from this programme. You will be required to supply evidence of this to Growth Platform. The evidence will include:

- a) Written confirmation of the creation of the post as a result of the support provided, detailing the job advertised and started, the duration and the number of hours per week
- b) Details of the gender, age range, disability status and ethnicity of individuals

Growth Platform will contact you approximately 6 months after the end of your Project to obtain these details.

## 10) Further Contact and Information Requirements

It is a requirement of ERDF that we monitor the impact of this programme and Growth Platform will be in touch after completion of your project to assess how the support has impacted on your business growth.

## 11) Data Protection

The information you share with us will be used by Growth Platform, partners, selected service providers and funders (e.g., local authorities, Department of Communities and Local Government (DCLG) and Department for Business, Energy and Industrial Strategy (BEIS)) to record support provided, for reporting purposes and for subsequent evaluations of the programme. The information will be held both electronically on a central database and hard copy paper form in a secure filing system at Growth Platform. We recognise the need for commercial confidentiality and the privacy of individuals and ensure that any information will be kept securely and not shared outside the partnership or the selected providers without your prior agreement. You may contact us at any time to have contact information removed or amended and we would request that you keep us updated when named individuals are no longer involved in the business.

## 12) Disclaimer

Growth Platform and partners cannot be held responsible for the quality of the suppliers or the work they carry out. The business procuring the service is wholly responsible for ensuring the work they commission is carried out to specification and is of a satisfactory standard.

EXAMPLE