

Tourism & Events Challenge Fund Guidelines for Applicants 2024-25

This grant is funded by the UK Government through the UK Shared Prosperity Fund.

The Tourism and Events Challenge Fund closes for applications at **12 noon Friday 17th May 2024**. Projects must be financially completed, and all claims submitted before **12 noon on 31st March 2025**. Project costs will NOT be funded beyond this date.

A) CHALLENGE FUND OVERVIEW

The Tourism and Events Challenge Fund (TECF) is a competitive, discretionary grant fund targeted at new and existing tourism and event management businesses based in North Lanarkshire to support their long-term growth and sustainability and increase visitor numbers and spend in North Lanarkshire. TECF grants will provide up to 100% of eligible project costs (excluding VAT), from £2,500 up to a maximum grant award of £10,000 to fund specific activities to help tourism businesses grow and develop their operations and support the delivery of new and larger events in the area.

The grant is competitive, therefore successful projects will be those that can demonstrate a contribution to increasing visitor numbers and tourism revenue. Applications from individuals or organisations working in partnership would be welcomed, with funding going to the lead partner. All applications will be assessed together, and applicants will be notified by the **24th of May 2024**, no decisions will be made until after the closing date.

Applications should consider alignment with the [North Lanarkshire Tourism Strategy](#),

Successful applications will have a focus on one or more of the priorities of the strategy.

- Priority 1 – Business - We will build business resilience, sustainability, and profitability.
- Priority 2 – People and Skills - We will attract, develop, and retain a flexible, resilient, and skilled workforce.
- Priority 3 – Place - We will create and develop an attractive, competitive, and sustainable destination that offers authentic and memorable experiences.

B) OBJECTIVES

Support Tourism Development – Applications should be aligned with the North Lanarkshire Tourism Strategy and Action Plan, specifically with Our Shared Vision: “By 2026 North Lanarkshire will be a sustainable, resilient tourist destination offering a range of authentic and memorable experiences which provide value for money and are accessible to all.”

C) ELIGIBILITY OF BUSINESS

Applicant businesses must comply with the following eligibility criteria. The Council may carry out further checks on the applicant business by consulting sources of business information such as Companies House, Business Gateway, Scottish Enterprise and similar databases:

- i. **Business type & location:** The applicant business must be small or medium-sized business based in North Lanarkshire and operating within a recognised legal structure (see www.gov.uk/business-legal-structures/overview). Private individuals cannot apply for grant support.
- ii. **Place of business:** If the applicant business only has a ‘registered office address’ or a ‘virtual office address’ within North Lanarkshire but conducts its actual business or trade from an operational base outwith North Lanarkshire, then typically the business is not eligible to apply for a grant from North Lanarkshire Council. The company’s invoicing and business correspondence address must be within North Lanarkshire.
- iii. **Business size:** The fund is aimed at micro, small and medium-sized enterprises (SME’s) defined by the European Commission as enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.
- iv. **Trading Location:** The Tourism and Events Challenge Fund is for businesses in the tourism and leisure sector with the ability to increase the number of visitors to North Lanarkshire, (i.e. not a North Lanarkshire based business with a tourism product out with the area.)
- v. **Previous grant support:**

Projects cannot be match funded with funding from NLC other business grant schemes.

D) ELIGIBILITY OF PROJECT

How much grant can I apply for?

Applicants can apply for a grant between £2500 up to a maximum of £10,000.

Projects seeking grant support should demonstrate the following:

- **Contribution to increased visitor numbers / footfall**

Applications should consider how they can demonstrate an increase in visitor numbers as a result of grant funding. Depending on the nature of the project you will be expected to provide evidence of the number of people using the improved or new service/facility and how this has increased as a result of the project. For example, footfall can be measured by an electronic people counter or visitor numbers may be measured by the number of admissions to a venue or event. You will be asked to provide information on current usage so that the impact of the project can be assessed.
- **Contribution to increased visitor spend.**

Applications should consider how they can demonstrate an increase in visitor spend as a result of grant funding. Visitor spend should be evidenced by sales at your facility or venue. For example, it may be sales associated with an event that the challenge fund has supported, or it could be demonstrating an increase in retail spend at your facility over a set period following the support – such as spend over the 6 months prior to the project and for the 6 months following to allow for a comparison. You need to set out what information you will collect and how it will demonstrate the impact of the project in your application.
- **Jobs created.**

Applicants should note any new jobs that are created in your enterprise as a result of investment. This should not include any jobs created during the project delivery such as construction jobs.

Please note: It will be advantageous to project scoring if a contribution to all of the above can be noted, however projects that contribute to one or more will still be eligible.

E) APPLICATION PROCESS

Timescales

Date	Milestone
15 th April 2024	Launch and publicise
12 noon Friday 17 th May 2024	Close for applications
Mid-May 2024	Panel will assess all applications.
24 th May 2024	Steering Group will agree successful applications. Successful applicants will receive award letters. Grants will be paid on receipt of payment evidence.
12 noon 31st March 2025	Closing date for projects to be completed and all claims fully submitted.

1) Supporting documentation

Applicants must submit the following documentation in order to be considered for the Tourism and Events Challenge Fund

- **Application form**
Completed Tourism and Events Challenge Fund application form (please ensure this is signed where indicated).
- **Business Plan, latest management accounts, 12 months cashflow projection.**
Note: If a full business plan is not available, a mini-business plan consisting of a one-page summary of the company setting out its plans for the future is sufficient.
- **Evidence of Incorporation**
This may include any one of the following:
 - Company (inc. SCIO): Certificate of Incorporation or Companies House registration number.
 - Partnership: Partnership agreement or HMRC registration.
 - Sole Trader Self Employed and Freelancers: HMRC registration, Self-assessment documents or valid business insurance documents.
 - Community Interest Company: Certificate of Incorporation

- Trust: Constitution documents, HMRC registration or VAT registration.
- **Evidence of ownership/commercial lease (If applicable)**

If the project involves alterations to a commercial premises, this would be required. This could be a copy of i) premises lease or ii) e-mail from landlord confirming duration of tenancy agreement, or iii) proof of ownership. If the applicant business submits an application prior to moving into commercial premises within North Lanarkshire, any grant award will be conditional on the Council receiving a signed copy of the lease (or proof of ownership) before the business submits its Claim for Grant Payment.
- **Evidence of projected project costs**

This should include **supplier quotes** for all eligible capital expenditure items, infrastructure works, consultancy services, training services, or exhibition costs seeking grant support.
- **Bank Mandate for Payment by BACS** – bank account details for the applicant business will be requested after your application has been assessed (and only for successful applicants).

No indication of prior commitment – in order to be considered for grant support, no work must start on the project in question and no expenditure should be incurred until after the applicant company has received a formal decision from the council regarding their grant application. Projects which commence before a grant decision is made indicate that grant support is not essential to the project proceeding. Such applications may be cancelled and/or grant awards withdrawn.

F) TERMS AND CONDITIONS

4) Disposal of assets purchased with Tourism and Events Challenge Fund support

The Council is required to maintain an Asset Register of all assets with a value of at least £5,000 that are to be purchased or developed using funding support from the NLC Tourism and Events Challenge Fund. The Council requires recipients to provide the following information: -

- a) Owner of the asset purchased/developed.
- b) Date acquired.
- c) Description of the asset purchased/developed.

- d) Net cost
- e) Location
- f) Depreciation/amortisation policy applied to asset purchased/developed.

Items a) – f) must be provided by the recipient of funding support from the NLC Tourism and Events Challenge Fund as part of the Claim for Grant Payment paperwork.

Subject to the paragraph below, the recipient of the funding support from the NLC Tourism and Events Challenge Fund must retain ownership of (i) assets purchased with said funding support for a minimum of five years from the date the asset was purchased and (ii) retain the asset developed with the said funding support for a minimum of ten years from the date of completion of the development of the asset.

In the event that the recipient of funding support from the NLC Tourism and Events Challenge Fund proposes to sell on or dispose of an asset purchased/developed with funding support from the NLC Tourism and Events Challenge Fund, **prior written consent from the Council is required**. If the Council grants consent to the sale or disposal, such consent may be subject to the satisfaction of certain conditions to be determined by the Council, including repayment of all or part of the funding support from NLC Tourism and Events Challenge Fund.

If the Council grants consent to the sale or disposal of the asset purchased/developed by the said funding support, the recipient of the funding support from the NLC Tourism and Events Challenge Fund shall provide the following details to the Council:

- (i) The proceeds of disposal (net £)
- (ii) Who the item was sold/transferred to

Council officers shall be entitled to conduct annual inspections at the premises of the recipient of funding support from the NLC Tourism and Events Challenge Fund to ensure that the ownership requirements set out above are being complied with. In the event that the asset purchased/developed with the said funding support has been sold or ownership transferred, the Council shall be entitled to require repayment of all or a proportion of the said funding support. In making this decision the Council shall take into consideration the following: -

- (i) If the date of sale or disposal of the asset purchased/developed with the said funding support took place after the minimum ownership periods detailed above.
- (ii) If the proceeds of the sale or disposal will be/were applied directly to the purchase of assets similar to those sold or disposed of.

- (iii) If the proceeds of the sale or disposal will be/are being used solely for purpose related to the project.
- (iv) Any other factors relevant to the sale or disposal that the grant recipient brings to the attention of the council.

6) Assessment and appraisal

Completed challenge fund applications must be received by the BusinessFund@northlan.gov.uk mailbox by the **deadline of 12 noon Friday 17th May 2024**.

A panel will consider all applications once the fund is closed and successful applicants will be notified that their project can begin. After the applicant receives notification, their project has been successful, purchases can be made, project works begin, or any other activity or expenditure relating to the project commences. **Payment will be made on receipt of evidence (invoices and payments from business bank accounts).**

All applicants (successful and unsuccessful) will be notified of the Council's decision by e-mail in the first instance. Successful applicants will subsequently receive an award letter (sent to the business address specified in their grant application), including a Grant Acceptance Form which must be signed, dated and returned to the Council within 21 days of the award date specified on the grant award letter.

We recommend that before you complete an application you should discuss your project proposal in more detail with a Business Gateway Lanarkshire adviser (via lanarkshire@bgateway.com). This will help ensure that your business, and the project seeking support, are eligible to apply in principle. Guidance and advice to help you complete your application can also be provided.

Applicants may also benefit from the comprehensive range of business support available from the local Business Gateway service, which is managed by North Lanarkshire Council. Business Gateway Lanarkshire advisers offer a range of advice and expertise on a wide range of topics including business growth and development. Advisers can also help you prepare your Tourism and Events Challenge Fund grant application. If you wish to discuss your growth plans with Business Gateway Lanarkshire, contact them directly on 01698 520775 or email lanarkshire@bgateway.com to arrange a one-to-one meeting.

A **Claim for Grant Payment Form** must then be completed and accompanied by:

- completed **Customer Satisfaction Survey**
- **evidence of spend** including:
 - copy invoices from all suppliers.
 - copy of the company's bank statement, showing payments in respect of these supplier invoices leaving the company's bank account

Grant will not be paid out in relation to goods/services purchased which cannot be evidenced by supplier invoices matched to the business bank statement.

Key points when claiming your grant payment:

- **Deadline for grant claims:** all projects must be completed, and the Claim for Grant Payment submitted, by **12 noon Friday 31st March 2025**
- **VAT:** note that VAT is ineligible for grant and must be excluded from claims.
- **Paying suppliers by cheque:** where payment for goods or services has been made by cheque, you must enclose either i) a copy of the cheque or ii) a receipt, e-mail or letter on headed paper from the supplier (stating the invoice number) confirming that they have received payment in full. In the case of e-mail confirmation, it must be clear from the e-mail address that the confirmation has originated from the supplier.
- **Paying suppliers by cash:** note that items or services paid for by cash unfortunately do not meet our audit trail requirements. As such they are not eligible for grant and must be excluded from the Claim for Grant Payment.
- **Paying suppliers by credit card:** Payments made to suppliers by a business credit card are eligible if the credit card has been repaid using the business bank current account. Therefore, the credit card statements and the business bank statement showing this transaction will be required as evidence of project spend. Any item paid for using a personal credit is not eligible and will be excluded from your Claim for Grant Payment.
- **Business bank accounts:** applicants must have a business bank account (personal bank accounts are not acceptable).

- **Multiple payments made to suppliers in a single transaction:** where a number of supplier invoices have been paid in a single transaction, a BACS list, copies of invoices or a similar breakdown of payments must be provided to confirm that the invoice(s) included in the Claim for Grant Payment have been paid. Note that hand-written invoices or receipts suggesting payment has been received are not sufficient proof of payment and must be accompanied by bank statement evidence.
- **Bank statement requirements:** a complete bank statement must be provided which shows:
 - the business name.
 - sort code.
 - account number.
 - invoice being debited from the bank account (supplier name must be visible and amount must match)
 - the statement balances the day before and after the payment is made, as this provides confirmation of defrayal.

Note that *bank statement extracts, or transaction slips* are not acceptable – a formal bank statement must be provided which not only shows the relevant payment(s) but also meets all of the above requirements. If the amounts on the invoice and bank statement do not match (for example due to inclusion of other (ineligible) invoices as part of the single payment), then we will also require a copy of the ineligible invoices that contribute towards the total amount paid.

- **Supplier invoices:** hand-written invoices or receipts suggesting payment has been received are not sufficient proof of payment. Formal invoices on the supplier's headed paper must be provided accompanied by bank statement evidence.
- **Changes to project specification and/or costs:** if your project costs end up being lower than anticipated in your grant application, the grant payment you receive will be reduced pro-rata. However, the grant payment cannot be increased beyond your original grant award in the event that your project costs end up being higher than you originally expected. Note also that grant is awarded only for the specific project and associated expenditure detailed in your grant application. If you wish to make changes to any of the goods or services you propose to purchase with the assistance of grant, you must first

seek approval from North Lanarkshire Council in advance of any change by contacting BusinessFund@northlan.gov.uk.

Once a grant claim is approved, payment is usually made by BACS transfer direct to the applicant's bank account within 15 working days of claim approval.

G) OTHER CONSIDERATIONS

- **UK government funding** – grants provided to applicants as a contribution towards the cost of Capital Expenditure, Infrastructure Improvement, Consultancy Support and Exhibition Support are supported by the UK Shared Prosperity Fund (UKSPF).

- **Subsidy Control**

The UK Shared Prosperity Fund Tourism and Events Challenge Fund award being applied for by your enterprise is classified as a Minimal Financial Assistance (MFA) subsidy under the Subsidy Control Act (2022).

To be eligible for the support, you must not have already exceeded receipt of £315,000 in MFA subsidies over this and the previous two financial years.

Note: Subsidy Control replaces the former European Commission State Aid Rules. Minimal Financial Assistance (MFA) is a relatively new term which is similar to the former “De Minimis Aid” rules which were in place under European Commission State Aid Rules and “Special Drawing Rights” (SDR).

A Tourism and Events Challenge Fund grant award is a Minimum Financial Assistance (MFA) subsidy under the Subsidy Control Act (2022). The maximum amount of MFA offered in completing this application will be £50,000. Before making any payment, written confirmation that receipt of the payment will not exceed your company's MFA threshold of £315,000 cumulated over this and the previous two financial years, as specified in section 36(1) of the Subsidy Control Act (2022), is required. This means you must confirm you have not received more than £315,000 minus the value of this grant in MFA subsidies or comparable types of subsidy (see section 42(8) of the Subsidy Control Act (2022)) in the current or previous 2 financial years. (Please note that comparable types of subsidy include De Minimis Aid.)

We take this opportunity to remind you that you are required to keep a written record of the amount of MFA you have received and the date/s when it was received. The written record must be kept for at least three years beginning with the date on which the MFA was given. If your application is successful at the point of claiming the grant, we will issue you with an email which you can use as your written confirmation. This will enable you to respond to future requests from public authorities on how much MFA you have received and whether you have reached the cumulative threshold.

- **Monitoring** – we are required to report on key outputs and benefits arising from grants awarded under the Tourism and Events Challenge Fund. Successful applicants will be monitored both during the project and 12 months after completion to verify the impact of grant funding on business growth via a number of indicators, with a particular focus on increase in visitor numbers and spend.

H) FURTHER INFORMATION

For more information on the funding and other support available to North Lanarkshire businesses please contact either North Lanarkshire Council Enterprise Development Team on BusinessFund@northlan.gov.uk or Business Gateway Lanarkshire on 01698 520775 / lanarkshire@bgateway.com. Please also visit the North Lanarkshire Council website: www.northlanarkshire.gov.uk/business.