



## Frequently Asked Questions

### **Can I apply if my business is outside Derby or the TTWA?**

We are now able to fund businesses throughout Derbyshire. However, businesses outside of the Derby Travel to Work Area and within Derbyshire should in the first instance contact the University of Derby Invest to Grow scheme prior to submission to D2EGF.

### **Can I apply if the jobs to be created by the project will be within other companies?**

No. Job creation can only be counted if the new staff are employed directly by the applicant company. All jobs must be permanent, full time jobs, and expected to last for a minimum of 3 years. For large companies jobs are expected to last for a minimum of 5 years.

### **How much funding can I apply for?**

The minimum amount that can be applied for is £20,000. We look to provide funding for up to 30% of the total costs of a project. If the funding is grant, the percentage may be less than 30%, in accordance with State Aid limits. If the funding is in the form of a loan we may go beyond 30% in some circumstances, if you can demonstrate that other lending is not available to your business and the project could not otherwise proceed and you can give the Fund good value for money in numbers of jobs created.

### **What do I need to do to justify a request for grant funding?**

You must demonstrate that the project would not go ahead without a grant. You must have attempted to source funds from elsewhere and show that other funds, including loans, are not available to you. You must also demonstrate that the amount of grant you are seeking is the minimum required for the project to go ahead. State Aid regulations place restrictions on the percentage of project costs that can be supported with grant and all project expenditure must be eligible.

### **What would happen if I couldn't get a grant?**

We may consider offering you a loan, provided you could demonstrate that other lending is not available to you and that your project could not otherwise proceed.

### **What interest rates are D2EGF loans offered at?**

D2EGF interest rates are calculated at proxy commercial rates and will be determined by our due diligence provider. Rates will range from 1.62 to 11.04% dependent on credit worthiness and collateralisation. See guidance notes for more information.

**How long will it take from application to the money being in my account?**

This will vary on a case by case basis. We seek to offer an in principle decision within 4 weeks from the application deadline. Following this an application has to go through a due diligence process – this will take approximately 6 working weeks. Following due diligence Derby City Council will decide whether to proceed to contracting – this will then take approximately 3 weeks for grant agreements and considerably longer for loan agreements particularly if they are complex.

**Why may I be offered a loan when I applied for a grant?**

To continue to recirculate funding to create more jobs and support even more businesses we would prefer to offer loans. Grants will be considered if all other options of funding have been exhausted, you can demonstrate you will not be able to pay back a loan and the project will not happen without the funding.

**Why is there a focus on trains, planes and automobiles for supply chain innovation funding?**

Derby is the UK's leading high technology city. We have a distinct competitive advantage in the UK and globally with the expertise and high levels of employment in these sectors. We want to use our funds to reinforce and build on our strengths in these sectors. However, we can support projects from other sectors too, providing they meet all the key scheme criteria.

**Why should I apply for a loan when I could apply to a bank?**

D2EGF supports enterprises who can't find the funding to make a project go forward from other sources. It is there to plug funding gaps to ensure the project goes ahead, so you must have attempted to source funds from elsewhere including banks and you must be able to evidence that other funds are not available to you.

**Do I have to complete all of the appendices?**

Yes each appendix has to be completed. The information contained is used not only as part of the assessment of your application but also as part of the due diligence process should your application be offered a grant and/or loan in principle. It is therefore imperative that you include accurate information that is based on researched and validated data.

**What is Due Diligence?**

Due Diligence is the process that follows once you have received an offer of funding. It seeks to confirm the information and assumptions stated in your application. You will be expected to provide evidence to support: Key project costs (e.g. quotes); Key non D2EGF funding sources (e.g. loan offers, company cash available); Financial position (annual and management accounts); assumptions for financial projections (business plan, marketing strategy, customer orders etc).