**How do Local Enterprise Offices help businesses financially?**

Local Enterprise Offices (LEOs) can help to establish and develop new and existing enterprises provided that the enterprise is capable of becoming commercially viable.

There are also other criteria to be met and these are listed in the bullet points below.

The enterprise must:

* not employ more than 10 people;
* be established, registered, and operate within the area of the Local Enterprise Office;
* operate in the commercial field;
* show there is a market for the product or service;
* have the potential for growth in domestic or export markets; and
* have potential for job creation without affecting existing local business.

 Within the above criteria, there are certain priorities and restrictions. For example, priority will be given to:

* only enterprises in the manufacturing or internationally traded services sector which, over time, can develop into strong export entities and graduate to Enterprise Ireland.
* unique tourism services enterprises that target generating revenue from overseas visitors; these tourism services should not displace business from other existing players in the market or give rise to deadweight (where projects would have proceeded anyway). Such unique tourism services may be offered salary supports. With regard to restrictions, retail enterprises, personal services, professional services or construction and local building services are not eligible for grant aid.

 **What is a Business Expansion Grant?**

 A Business Expansion Grant is designed to assist the business in its growth phase after the initial 18-month start-up period.

 **Who can apply for a Business Expansion Grant?**

Micro enterprises (Limited Companies, Designated Activity Companies, sole traders, co-operatives and partnerships) can apply for a Business Expansion Grant to help them to expand the business after the first 18 months of trading. The maximum Business Expansion Grant that can be paid is 50% of the investment or €150,000 whichever is less. Grants between €80,000 and €150,000 are the exception. Only enterprises that clearly demonstrate a potential to graduate to Enterprise Ireland can be awarded grants of this size. In all other cases, the maximum grant is 50% of the investment or €80,000 – whichever is less. **(Please note: there is a repayable element of 35% on all Business Expansion Grant approvals.)**

**Priming Grant and Business Expansion Grants**

If a business received a Priming Grant (start-up grant), it cannot apply for a Business Expansion Grant until 12 months after the date of approval of the Priming Grant. An exception to this might be made in cases of exceptional merit where less than the maximum Priming Grant was drawn down and provided the rules of ‘De Minimis aid’ are respected. De Minimis aid is small amounts of State aid granted to enterprises.

**What does the Business Expansion Grant cover?**

A Business Expansion Grant may be paid to buy new equipment, help with direct business costs such as salary, rental costs, utilities, marketing and consultancy costs. Grant assistance is not payable to buy a building, land or mobile assets. Grant expenditure may be considered under the following headings:

* Capital Items – including fit out of workspace, office equipment, machinery, fixed technology costs, and so on. (Note that the cost of buying or construction of a building and the cost of land and mobile assets including laptops, tablets and smart phones are excluded from grant aid.)
* Salary Costs – for the first year of employment. This money is paid in two instalments. The first instalment is at the start of employment; and the second after six months of employment. The level of grant support will reflect the salary scale proposed for the job being generated. Jobs attracting salaries of more than €40,000 will be eligible for the maximum €15,000 grant support. Lower-paid positions will receive a lower grant. Please note that approved grants are to be used for their intended purposes. If salaries are being supported by the LEO, the detailed job description and contracts for the role need to be forwarded to the LEO before the funds can be drawn down.
* Consultancy, Innovation, Marketing Costs – these may include packaging, brochures, business cards, trade fairs, website development, consultancy fees and other marketing initiatives.
* General Overhead Costs – these include, for example:

-**Utility Costs** – these include installation costs for fixed line telephone, broadband and three-phase power (electrical supply with a voltage suitable for businesses).

-**Rental or Accommodation Costs** – for the first year of the enterprise. (Note that if rental space is already subsidised by an investment of public funds, grant support will only make up the difference between the subsidy and the market rate.) Rental costs may be paid up front subject to supplying the LEO with a signed lease or rental agreement. There is an element of refundable aid in Business Expansion Grants (grant money that you have to pay back). The LEO’s Evaluation and Approvals Committee will determine this amount.

**How do I apply for the grant?**

If you want to apply for a Business Expansion Grant, you need to contact your local LEO. They will assess your eligibility. Applications are considered on a case-by-case basis and the level of funding will be decided after the assessment. The assessment will examine:

* the merits of providing grant support to your proposal;
* your need for financial support;
* any previous funding you have received;
* the availability of funding;
* the potential for employment and sales growth.

Any individual or business who wishes to apply must submit a completed signed Business Expansion Grant application form along with the following:

* a CV (for the main applicant),
* quotations for the key costs,
* 3 quotes for any item of expenditure over €5,000. (For any expenditure item costing less than €5,000, one verbal quote is required.)

**And**

* the most recent set of certified accounts (in the case of existing businesses).

Please make sure your application form is completed in full.

After you send in your application your LEO will write to acknowledge your application, and an executive from the LEO will meet with you to discuss the application. You may be asked to provide additional information.

When the LEO receives all the information they need, your application will be evaluated at the next available meeting of the LEO’s Evaluation and Approvals Committee. You will then be informed in writing of the decision.

**Please note that you cannot use your grant to pay for any expenditure incurred before you make the application.**

Also note that your submission of an application or the official acknowledgement of your application is not an indication that the application is eligible or will be awarded grant aid. The final decision on grant assistance is with the Evaluation and Approvals Committee of the Local Enterprise Office.

For more information on financial supports available from the LEO including information on eligibility, please see [www.localenterprise.ie](https://www.localenterprise.ie/kilkenny)

**When can I access the grant funds?**

If your application is approved, you can draw down your funding after you submit evidence of the expenditure detailed in your letter of offer. Also, any funding approved must be claimed within the time period on the letter of offer.

To claim any financial assistance approved, you must submit the following:

* a signed acceptance of offer
* original invoices
* evidence of payment
* an auditor’s Certificate (if required)
* a claim form
* a current valid tax clearance certificate
* any other documents as set out in the letter of offer

**Please note that you cannot use your grant to pay for any expenditure incurred before you make the application.**

**What is ‘De Minimis’ aid?**

Business Expansion grants are provided under the European Commission Regulation on ‘De Minimis’ aid. De Minimis aid is limited amounts of State aid – up to €200,000 in any three-year period to any one enterprise.

De Minimis aid is regarded as too small to significantly affect trade or competition in the common market. The amounts of grants are regarded as falling outside the category of State aid which is banned by the EC Treaty and, therefore, they can be awarded without reference to the European Commission.

However, a Member State must track De Minimis aid and make sure that combined aid payments from all sources to one enterprise in any three-year period respect the €200,000 ceiling.

Therefore, you need to provide details of all other grant aid that has been awarded to you or your company within the past three years. Please note that a false declaration to show a figure under the threshold of €200,000 could later mean that you would have to pay back the grant aid with interest.