

# ***ENTERPRISE LOAN FUND***

*A loan of up to £5,000 at preferential terms for existing businesses already located or intending to locate within the Bassetlaw District area*



**BASSETLAW**

DISTRICT COUNCIL  
NORTH NOTTINGHAMSHIRE

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## GUIDANCE NOTES: Enterprise Loan Fund

**PLEASE READ THESE GUIDANCE NOTES CAREFULLY BEFORE SUBMITTING AN APPLICATION TO THE BASSETLAW ENTERPRISE BOARD**

### WHAT IS THE ENTERPRISE LOAN FUND?

The Enterprise Loan Fund is a fund operated by Bassetlaw District Council through the Bassetlaw Enterprise Board to help promote the creation of new jobs and the safeguarding of existing jobs within the District.

The Enterprise Loan Fund can offer a loan of up to £5,000 to existing businesses already located in or intending to locate within the Bassetlaw District area. These loans are available at preferential terms for existing businesses looking to expand, purchase capital assets such as plant, equipment or machinery and create or safeguard jobs in the District. The terms for these loans are currently a maximum repayment period of 36 months with an initial repayment holiday of 6 months. Interest is only payable on the loan if the loan falls into arrears.

Enterprise Loan Fund awards are determined by the Bassetlaw Enterprise Board. This Board consists of representatives from Bassetlaw District Council and the local business community. The Board meets approximately once every month.

### WHO CAN APPLY FOR THE LOAN?

This loan is available to all forms of existing businesses (sole trader, partnership or limited company), already located or intending to locate within the Bassetlaw District area.

Existing businesses in the first eighteen months of trading may be eligible for the single grant payment under the Enterprise Grant Scheme.

### WHAT CRITERIA ARE USED TO ASSESS APPLICATIONS?

The primary objective of the Enterprise Loan Fund is to help diversify the economy of Bassetlaw and to create and safeguard jobs in the District. Applicants must meet the following criteria in order to be eligible for the Fund:

- **JOB CREATION:**
  - **Applicants must demonstrate that the business will create new jobs or safeguard existing jobs in the Bassetlaw District area.** The business should also demonstrate sufficient potential to employ people other than the owner.
- **NEED:**
  - Any loan awarded by the Board will be the minimum necessary to enable the business venture or project to go ahead. Applicants must demonstrate that an award is needed. It is important that the Fund gives added value for money and that it does not displace finance available from other sources or simply support projects which would have gone ahead anyway. Therefore, all other means of financial support must have been explored before applying to the Board for assistance. Applicants should provide evidence that these other means of financial support have been explored.
- **VIABILITY:**
  - Any loan awarded by the Board will be conditional upon the applicant providing a progress update on the business at six monthly intervals to Business Link following the payment of the loan. The final progress update will be six months after repayment of the loan.
  - Applicants must submit a copy of the previous two years audited accounts along with a Business Plan outlining expansion plans and financial projections.

- **LOCATION:**

- The business must be located in the Bassetlaw District area. The business must stay in the area for at least the period for which the loan is awarded. If the business re-locates out of the District or ceases trading within the loan period, the Board will require payment of the outstanding amount of the loan. In the eventuality of the business ceasing to trade within the loan period the Board will have first claim on assets bought using the loan so that they can be used for the benefit of other applicants.
- Applicants must be operating from suitable premises or moving into suitable premises at the time of application. Applicants should provide evidence of ownership, tenancy or lease agreements, planning permission and any necessary licences, qualifications or certificates of competence.

### **WHAT CAN THE LOAN BE USED FOR?**

The Enterprise Loan Fund is geared towards expenditure on capital assets such as plant, equipment or machinery. **The loan cannot be used for the following:**

- X Vehicles
- X Purchase of premises or modifications to premises
- X Rent or deposits for premises
- X Working capital
- X Stock appropriation
- X Wages or other revenue items
- X Debts or loan repayments
- X Insurance costs
- X Legal and Professional Services costs
- X Planning fees

### **OTHER TERMS AND CONDITIONS**

- Applicants must not be involved or in any way be connected with any activity which the Board advises them is not suitable to be supported from public funds.
- The business must not be involved or in any way be connected with any activity which the Board advises them is not suitable to be supported from public funds.
- The business must not have a detrimental impact on the environment. Further, the Board encourages businesses to highlight environmental good practices and, where appropriate, implement an environmental policy.
- At all times the business should be a responsible employer. For example, observe workers rights under employment legislation and take appropriate steps to meet health and safety requirements.
- Applicants must not have been adjudged bankrupt or have any court judgements against them. No loan will be given to any applicant should there be any outstanding debts due to the Council from the applicant for any service whatsoever. As part of the consideration of an application, the Board will make the necessary enquiries and searches. Any loan awarded by the Board will be conditional upon the applicant paying the fee payable for these enquiries and searches.
- Applicants should note that interest will be charged on any arrears accrued at an annual rate of 5% until the arrears are cleared.
- Only one loan will be offered to each business. For example, if the business is a partnership or limited company, a loan will not be given to each member of the business.

- Any loan awarded will not be offered retrospectively, that is to say that **any expenditure made before the loan is awarded will not be eligible for financial assistance**. Loans can only be released to the applicant upon receipt of evidence of actual expenditure on the items for which the loan has been awarded. The actual expenditure on these items is calculated on the need of the applicant and their circumstances, and must total at the very least the total of the loan being taken up. However, in most cases the amount of expenditure required is considerably greater than the amount of the loan awarded.
- Existing businesses in the first eighteen months of trading may also be eligible for the single grant payment under the Enterprise Grant Scheme.
- Any loan must be taken up within six months of an offer being made.
- Applicants should note that any loan awarded will be at the discretion of the Board and that meeting the criteria above does not confer automatic eligibility. The decision of the Board is final.

## **HOW TO APPLY**

An application form should be completed and signed. A copy of the applicants business plan, incorporating financial projections, should be attached to the application form together with a copy of the applicants previous two years audited accounts showing that the business venture or project is commercially viable. Further evidence should be included, where appropriate, in support of the application. Applicants will be invited to attend the Board meeting at which their application is being considered. The Board meet approximately once every month.

PLEASE READ THE GUIDANCE NOTES FOR APPLICANTS BEFORE FILLING IN THIS APPLICATION FORM

**BASSETLAW ENTERPRISE BOARD**

**Application No:**

1.	Contact Name:	_____
	Home Address:	_____
		_____
	Post Code:	_____
	Telephone:	_____
	E-mail Address:	_____
2.	Business Details:	Sole Trader/Partnership/Limited Company/Other
	Trading Name:	_____
	Business Description:	_____
	Business Address:	_____
		_____
	Post Code:	_____
	Telephone:	_____
	E-mail Address:	_____
	Date Trading Commenced/Will Commence:	Registration Number:
3.	Proprietors: Please provide all names, dates of birth and home addresses in full and if there are more than 2 proprietors please supply their full details on a separate sheet.	
i)	Name & Home Address:	_____
		_____
		_____
	Current Occupation:	_____
	Date of Birth:	_____
ii)	Name & Home Address:	_____
		_____
		_____
	Current Occupation:	_____
	Date of Birth:	_____
4.	Premises	Evidence should be submitted
	Type:	_____
	Size:	_____
	Terms:	_____

5. Approval Required Evidence should be submitted

Landlord:

Planning Permission:

Building Regulations:

Licences:

Other:

6. Employees (Include Proprietors)

Existing F/T P/T

Additional F/T P/T

7. Business Funding Please specify amounts to be used to finance your proposal

a) Own Funds:

b) Shareholders:

c) Commercial Loans:

d) Others:

8. Have you received any business advice? Yes/No If yes please state business adviser:

9. Assistance Requested:

Please state what item(s) the assistance is required for, what amount is requested and the total cost of your proposal.

10. Could you please give the full name and status in the company of two signatories to the Loan Agreement should a Loan be awarded by the Board:

Full Name: Status:

Full Name: Status:

11. Declaration:

I/we hereby declare that the foregoing statements are correct to the best of my/our knowledge and belief, that I/we have not been adjudicated bankrupt, nor made any composition with my/our creditors or no judgement exists against me/us, and that I/we will accept the conditions upon which the Council are prepared to give any assistance and understand that any false information given could result in repayment of the monies paid to me/us or prosecution.

The Council will make a search with a credit reference agency, will keep a record of that search and will share that information with other parties if necessary. The Council may also make enquiries about the other interested parties in a business with a credit reference agency.

I/We confirm that I/we are not involved or in any way connected with any activity that the Board has advised is not suitable to be supported from public funds.

I/we further declare that the assistance that is the subject of this application will be used solely for the purpose stated above.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20

Signature of applicant(s)

i) \_\_\_\_\_

ii) \_\_\_\_\_

The personal information you have supplied on this form will be used for supporting your application for financial assistance from the Bassetlaw Enterprise Board and may be shared with other areas of the Council, the Police and other public bodies for the recovery of debt, prevention and detection of fraud or the detection or prevention of crime as permitted under the Data Protection Act 1998.