

# High-Impact Innovation Fund

Part of the Connecting Innovation programme

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Connecting Innovation  
Application Guidance

£25,000 – £100,000 (Total Project Value)

# Information

The Leeds City Region Enterprise Partnership's (the LEP) Connecting Innovation programme exists to promote, simplify, coordinate and communicate the innovation support landscape to SMEs in the City Region. Our team of Innovation Growth Managers provide businesses with dedicated time of business support and can also provide access to two different grants.

The High-Impact Innovation Fund specifically targets SMEs who can demonstrate industry leading innovation that addresses key strategic opportunities around but not limited to:

- Industrial digitalisation
- Health technology
- Greener economy

The grant must be used to part fund a collaborative innovation led project requiring specialist innovative expertise resulting in a new product or process.

**Total project costs must be between £25,000 and £100,000.** The grant value is determined by State Aid Regulations and is expected to be between 35% and 50% of the total project costs.

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## Eligibility criteria

### In order to receive funding:

#### Your business must:

- Be based or have a trading address where the support is needed within one of these Council areas: Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield, York.
- Your business must be an SME – defined by having fewer than 250 employees, a turnover of under €50m or a balance sheet of under €43m, and not being part of a larger group of companies that takes it over these thresholds.
- Your business must trade in an eligible sector - this generally excludes primary agriculture and processing of primary agricultural products, banking and financial services, and activities related to education or social care. Your business must also be predominantly trading with other businesses (B2B) rather than directly with consumers (B2C). The programme will advise on this eligibility.
- Your business must meet certain financial criteria; ensuring that match funding for your High-Impact project is in place should your application be successful and that you are not an Undertaking in Difficulty. Your Innovation Growth Manager can discuss this further with you.

#### Your project must:

- Demonstrate industry leading innovation.
- Show strong evidence of deliverability.
- Introduce a new product or process through a collaborative project requiring specialist innovative expertise.
- The project should demonstrate commercial justification and should include as a minimum:
  - Growth for the SME
  - Diversification into a new market or lead to an increase in current market share
  - Improve productivity.
- Demonstrate impact (jobs/productivity/social impact) within project lifetime.
- Demonstrate a clear, transparent process of procurement for the required expertise that can only start AFTER the project has been assessed and an award in principle has been received and agreed by the recipient business.
- Not have commenced delivery prior to the conclusion of a successful procurement process and a preferred supplier has been selected and contracted. Any support provided prior to the date of this agreement will not be eligible for reimbursement.

## Inclusive growth:

As part of West Yorkshire Combined Authority and the LEP's commitment to deliver inclusive growth that benefits everyone, we encourage your business to maximise its positive impact on the City Region.

Examples include:

- Improve skills and employability of young people in education.
- Improve skills and employment opportunities for local and disadvantaged people.
- Increase training and development opportunities in the workplace.
- Work with the LEP Clean Growth team to identify and implement meaningful actions to make the business more environmentally sustainable.
- Commit to paying staff the Real Living Wage within an agreed timescale.
- Pay small business suppliers in accordance with the Prompt Payment Code (only for employers with over 100 employees).

All recipients of grants over £25,000 from the LEP are required to commit to undertake a minimum of one inclusive growth commitment and outcome.

The LEP, and its network of partners, can help you to access a number of products and services that will help you to take these positive actions. Please contact your Innovation Growth Manager for further information.

# General conditions and requirements

## Payment:

Grant payments will usually be reimbursed at the end of the activity.

- The grant will be paid upon satisfactory completion of the project or project phase. Acceptable evidence will normally be receipted paid invoice(s) and proof of payment, evidence of activity and any other contractual benefits to be evidenced.

### Please note:

- Grant is only payable for costs incurred after an application has been approved.
- Grant is only payable to the applicant business and upon evidence being provided that the expenditure has been defrayed.
- Grant will be paid at the agreed intervention rate dependant upon State Aid Assessment.

## Jobs:

- Any jobs created as a result of the project will need to be retained for at least three years.
- The LEP may seek recovery of any grant paid if the contracted jobs are not all created and/ or retained.

## Monitoring:

- Your business must provide all reasonable information requested to allow monitoring of anticipated benefits (jobs created or safeguarded, improved productivity etc.) resulted from the proposal.
- In line with ERDF funding requirements, your business will be expected to retain project records until 31 December 2033.

## Directors remuneration:

- You may not be eligible for grant support if directors remuneration (salary and/or dividends) exceed £150,000 per annum per director, averaged over a three year period.

## Repayment:

- Repayment of the full grant will be sought if any aspect of the application or grant claim is found to be fraudulent or non-compliant with State Aid Regulations.

## Transparency:

- As part of the LEP's compliance with the Transparency Code, it is required to publish details of all grant awards on its website, including the amount of grant awarded and paid, and the date the grant was approved and paid ([the-lep.com/about-us/transparency/grants-for-business/](https://the-lep.com/about-us/transparency/grants-for-business/)).

## Other:

- Approval of a business grant **does not** imply approval under other relevant legislation or requirements.
- The LEP reserves the right to withdraw the availability of the grant scheme at any time.

# Application process

- 1 You will work with your Innovation Growth Manager in advance of the application submission. Please contact **ConnectingInnovation@the-lep.com**.
- 2 You will be sent a link to complete the forms, Application Part 1 and Part 2.
- 3 A rolling deadline process is in operation and your Innovation Growth Manager will advise you of the next appropriate deadline for you to work towards in order to complete your application. In the event that the deadline is missed, your application will roll forward to the next deadline. No application will be assessed outside of this process.
- 4 Your application must be submitted alongside supporting documentation, full set of accounts, a business plan and a draft of the advertisement to be published for an open procurement, detailing the specialist innovative expertise you are looking to procure.
- 5 Your application will be assessed by the Connecting Innovation team and our appointed external specialist assessor for the area of innovation in question.
- 6 If your project is approved in principle, it will be necessary for your project to be advertised. The procurement process will be explained and your advertisement for the open procurement process on the EU approved 'Contracts Finder' portal publishing date agreed.
- 7 You will undertake a procurement process and be supported throughout by our Project Support Officers to ensure the correct process is followed and documentation is collected.
- 8 A Grant Funding Agreement will be issued to you which will need to be signed and returned. **Note: no work must have started for which grant funding is sought before you have received a fully signed Grant Funding Agreement and have contracted with the Combined Authority.**
- 9 You will contract with the supplier selected through the Open Procurement process. You will supply a copy of the contract to the West Yorkshire Combined Authority.
- 10 Your project/activity is undertaken.
- 11 You will submit the grant claim and supporting documentation to include evidence of outputs and any benefits realised for authorisation and issue of grant payment.

# Part 1

## Section A: Applicant details

**(A1)** Please provide details of your company and contact details for the primary contact for the project within the applicant organisation. This should be the person who the Connecting Innovation team will contact with any questions regarding your application.

**(A2)** Please provide details of parent companies (where relevant). If your business is not part of a group you do not need to complete this section.

## Section B: Project details

### **(B1) Funding**

Please state the amount of funding being sought, listing the sources of funding and expenditure associated with the project.

**Please note** that the income and expenditure must match.

**Sources of funding means:** the finance provider e.g. the LEP Connecting Innovation programme, European Regional Development Fund, company funds/ reserves, bank debt (please name the lender where possible), asset finance.

**Type of funding means:** e.g. Grant, Loan, or Equity. Please also state whether this is public or private sector.

**Amount means:** exact amount in pound sterling.

**Status means:** under negotiation, agreed verbally, or agreed in writing.

**Uses of funding means:** a break down of total funding by main expenditure type e.g. CAD drawings, prototyping, testing, accreditation.

### **(B2) Project start and finish dates**

Please provide anticipated start and finish dates for your project.

### **(B3) Additionality (added value)**

You should explain why funding is required with reference to the viability of the project with or without funding. Applicants should note that projects will only be supported where:

1. The project would not proceed in any form without LEP support; or
2. Support will allow a project to proceed within a shorter timescale; or
3. Support will increase the scope of the project; or
4. Support will allow a project to proceed on a larger scale, at a higher level of quality and/ or with greater impact.

## Part 2

Please provide a sufficient level of detail when answering the questions so that a lay person can understand what your project is hoping to achieve and the impact on the business. If the level of detail is not considered sufficient the application will unfortunately be returned. An approximate anticipated word count is given against each question for guidance purposes only.

Please ensure that you demonstrate the additionality that the grant will bring to the project.

Please respond in complete sentences.

The bullet points under the questions are suggestions as to what your answer may cover. Please endeavour to answer all questions. However, if a section is not applicable, please indicate by inserting N/A in the box.

Please discuss with your Innovation Growth Manager if you require additional support.

### Submission checklist

**The following documentation is required with each application form:**

#### Part 2 of the Application Form

- A business plan: If you already have a business plan and / or project plan please supply it as part of your application.
- A copy of your most recent financial accounts. If accounts are over 6 months old, please **also** provide up to date profit and loss and balance sheet.
- Details and evidence of funding (e.g.mortgage, asset finance).

Your application will not be reviewed until all of the required documents have been submitted. If you are not able to upload the documents then please contact the Connecting Innovation team:

**ConnectingInnovation@the-lep.com**

### Declaration

You must tick to say that you agree with all of the statements included in the declaration, or explain why you have been unable to agree with the statement. Please note that if you confirm that any of the statements are true, when they are not, then the LEP reserves the right not to award grant funding, or to ask you to repay any grant already paid.

You must declare if any Director(s) or employee(s) of your business, including spouses or civil partners of any Director(s) or employee(s), is:

- a member of the LEP Board,
- a member of the Combined Authority,
- a voting member of any committee or panel appointed by the Combined Authority including any advisory panel which reports to the LEP

This will not affect the decision as to whether or not your application is approved, but additional scrutiny will be undertaken.

**The declaration must be completed by a Director / Owner of your business.**

## Contact us

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