



Small Business Boost

Prospectus for growth funding loan scheme

Summer 2022





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Introduction

The Kent and Medway Business Fund Small Business Boost (SBB) loans are designed to help and support business growth across the county.

To date, more than 350 businesses have benefitted from the Kent and Medway Business Fund. Successful companies supported by the KMBF reflect the range and diversity of businesses located across Kent and Medway, contributing to the success of the county's economy.

Ten years ago the UK was emerging from the effects of a global financial crisis as a result of the world banking crisis. This coincided with the shock announcement that

Pfizer intended to withdraw from its operations in Sandwich resulting in thousands of jobs being lost, particularly in East Kent.

This led to a successful submission by Kent County Council (KCC) working with central government for national RGF funding. As a consequence, the Government initially made available for East Kent some £35m, followed by a further £14.5m (TIGER) and £5.5m (Escalate) to support business and employment growth.

The Kent and Medway Business Fund was established inviting businesses to apply for low-cost loans repayable over five years and/or equity investments. Successful applicants needed to have evidence through robust business case plans,

to create and protect jobs and grow their businesses. Substantial repayments have now been made and we are now able to launch from recycled funds, a further round of investment through 0% interest loans.

We are inviting new applications from Kent and Medway businesses, who are able to satisfy our strict lending criteria. These may come from a broad range of sectors but demonstrate strong and effective foundations and plans for growth and innovation. Applications are invited for loans from £26,000 to £99,000.

To help prospective applicants to better understand our requirements, we have produced this SBB Prospectus 2022 which sets out our



loan criteria and includes case studies from businesses who have successfully applied for small business loans in the past. In these case studies, businesses share their experience explaining how the support from Kent County Council has enabled them to thrive and grow.

Applicants need to understand that the process is rigorous in order that we can use public funds in the most effective way to benefit Kent and Medway's economy, and ensure we continue to build the county's success and enable us to recycle funds in the future.

Sir Paul Carter
CBE,

Chairman
KMBF Investment
Advisory Board



£85 million

The amount of funding allocated over the last 10 years for business investment across Kent and Medway (2012 to 2021).

4,927

The number of jobs created or protected with KMBF support since 2012.

£8 million

The amount of KMBF funding available for the latest round of KMBF applications thanks to recycled loan payments.

The Process

We are inviting applications for Kent and Medway Business Fund (standard) loans and Small Business Boost loans.

When considering an application, we will need to see the following:

Lending criteria

- › Strong plans for growth
- › Creation and protection of jobs in Kent and Medway
- › A robust, ambitious and realistic business plan
- › Strong leadership and management
- › Evidence of your pledge to reduce your net carbon footprint to zero
- › Your contribution to the Kent and Medway economy, such as support through your Kent-based supply chain
- › A Statutory Credit Report for each of the directors of the business from a recognised Credit Agency

Applications from the following priority sectors are encouraged:

- › Manufacturing
- › Pharmaceuticals, natural and life sciences
- › Green technology
- › Digital, media, creative and cultural industries and tourism
- › Food technology manufacturing
- › Logistics and construction

This does not preclude other sectors from applying



This round of KMBF funding will only be open whilst funds are available. If the number of pre-applications exceeds the estimated amount of funds available to cover your proposal, you will be informed that your application has been put on hold.

For more detailed information on the application process contact: kmbf@kent.gov.uk

STAGE 1

Read this quick guide and submit your Pre-Application
Pre-Applications open: **30 June 2022**



We advise you why we are not progressing your Pre-Application

STAGE 2

Invitation to submit Full Application

Full Application and supporting documents to be reviewed by the submission deadline date provided in your invitation to submit letter

STAGE 3

Internal document check by KCC of Full Application



We advise you why we are not progressing your Full Application

Your Full Application is passed to our External Appraisers

STAGE 4

Applications are considered by the Kent and Medway Investment Advisory Board (KMIAB) sub group.



If you are unsuccessful we will write to you to explain why

If successful we send you an offer in principle letter and ask you to attend a contract negotiation meeting scheduled for 1-2 weeks after your KMIAB Meeting



Defrayment of your loan monies follows

What is the Kent and Medway Investment Advisory Board?

The Kent and Medway Investment Advisory Board plays a pivotal role in the vetting process for KMBF loan applications which have reached the final stage of the process.

Businesses who reach this stage in the process are invited to present their growth proposals to the Board, an expert panel of entrepreneurs and professionals with a broad range of skills and expertise from across Kent and Medway.

Your presentation should show how you intend to demonstrate the following:

- Creation of sustainable jobs
- A well-thought through business plan (key headlines)
- Details of match funding
- Identification of sustainable profits to enable repayment of the loan
- Evidence of your pledge to reduce your net carbon footprint to zero
- Your contribution to the Kent and Medway economy, including support through your Kent-based supply chain
- Track record and experience

At this session applicants will also be asked a series of searching questions on their proposals before a final decision is made on their application.

These questions will include the following:

- The steps businesses have taken to secure other sources of funding
- Your ability to deliver and repay the loan over 5 years
- The benefits your proposals will bring to the wider Kent and Medway economy in terms of jobs, growth and supply chain.
- Details of your track record and experience



Things to consider when applying

When applying for a KMBF business loan, the CAMPARI model is a useful tool to guide your application. Each letter stands for a particular aspect of your business that will be taken into account when your funding request is considered.

➤ CHARACTER

This considers your background as a business owner including your skills and successes.

➤ ABILITY

We will want to have confidence in your ability to deliver, your experience, specialist skills and track record.

➤ MEANS

We want to see what assets and liabilities you have built up over time, both personally and within the business.

➤ PURPOSE

We want to know why you need the money and how you're going to use it. A positive impact on the Kent and Medway economy, including boosting the local supply chain and job creation are also key considerations.

➤ AMOUNT

We need to know in full detail why you need the amount for which you're asking and other steps you've taken to secure the investment you need.

➤ REPAYMENT

We need to be confident you will meet repayment terms over the five-year term of the loan. Do not exaggerate forecasts or profit margins.

➤ INSURANCE

We are required to seek some security in case the repayment arrangements fail. You will need to tell us what assets would be available and their value.



Business support offered across Kent and Medway

Small and medium sized businesses power the county's economy. If you're going to build back or grow your business in 2022 and beyond you couldn't have chosen a better place.

The Kent and Medway Business Fund is part of an extensive jigsaw of support available to companies countywide – from food and drink producers to tourism and digital pioneers to innovators working at the cutting edge of drug discovery and advanced manufacturing.

Kent County Council works closely with Medway Council, district councils, chambers of commerce and organisations like Locate in Kent and the South East Local Enterprise Partnership to deliver that support.

The Kent and Medway Growth Hub

The Kent and Medway Growth Hub forms part of the South East Business Hub, the South East Local Enterprise Partnership's overarching business support programme. It helps new and existing businesses to find the most suitable type of business support available in their area.

The Kent and Medway Growth Hub provides access to the knowledge, expertise, specialist resources and the inspiration required to help businesses start, grow and scale, and to realise their true potential – including developing and grasping new opportunities and new routes to market.

The Growth Hub's objective is to simplify access to advice and support, hiding the complexity of multiple sources to provide an impartial and free-to-access single-entry point for businesses.

In 2020/21 the Kent and Medway Growth Hub engaged with over 18,500 businesses:

- ▶ Helping businesses find and use the information they need
- ▶ Determining the best forms of help and support
- ▶ Helping them access support, delivered in-house or externally

The Kent and Medway Growth Hub services are supported by informed front-line advisors and specialists with a deep understanding of local business issues. Help and activities are delivered on a one-to-one basis, one-to-many through workshops and online self-help content, or through business-to-business peer learning.

To sign up for business support updates, visit:

📄 www.kentandmedwaygrowthhub.org.uk

For information on grants, funding and free business advice you can also call:

📞 03333 602300.

Locate In Kent

Locate in Kent is the official inward investment agency for the county of Kent, and provides free, confidential and impartial business support and strategic solutions to help UK and international businesses of all sizes grow intelligently and efficiently in our county.

Support offered includes helping businesses:

- ▶ Access the right funding
- ▶ Locate the right commercial property
- ▶ Grow their workforce
- ▶ Engage with a network of business experts
- ▶ Access specialised sector support and expertise
- ▶ Overcome challenges and future-proofing their business

Locate In Kent also offer Future Forward Business Recovery Support 2021, a free business growth programme for SMEs based in Kent and Medway.

Contact:

📞 01732 520700

✉ enquiries@locateinkent.com

📄 www.locateinkent.com



Produced in Kent

Produced in Kent is a trade organisation dedicated to supporting and promoting all types of food, drink and craft businesses in Kent.

At the heart of Kent and Medway's rural communities, it provides vital support to a diverse range of businesses which in turn provides valuable employment opportunities in Kent.

Produced in Kent provides business support, advice and sales opportunities, promoting local and seasonal produce and providing support and services to its members.

Contact:

📞 01732 853170

✉ info@producedinkent.co.uk

🌐 www.producedinkent.co.uk

South East LEP

The South East Local Enterprise Partnership (SELEP) is one of 38 LEPs, established to provide the clear vision and strategic leadership to drive sustainable private sector-led growth and job creation in their area.

LEPs were set up by the Government to be the key body determining strategic economic priorities while making investments and delivering activities to drive growth and create jobs. SELEP covers an

area encompassing the local authority areas of East Sussex, Essex, Kent, Medway, Southend and Thurrock.

SELEP Business Support includes:

- Coronavirus guidance for employers and businesses
- Business support programmes delivered through local Growth Hubs (see Kent and Medway Growth Hub above)
- Advice and Guidance about trading in Europe

Contact:

📞 03330 322946

✉ hello@southeastlep.com

🌐 www.southeastlep.com

Medway Council

Medway Council is an unitary authority within Kent. It aims to support businesses that want to grow, start out or move to Medway. They offer advice and guidance on:

- Employment and finding staff
- Business planning
- Bringing business and education together
- Funding opportunities
- Premises location
- Business set up and licensing

Contact:

🌐 www.medway.gov.uk/medwayforbusiness





Vision Box Cinema Ltd

📍 Harbour Street, Broadstairs

The Grade II listed building that provides the home for The Palace Cinema in Broadstairs has a long and varied history - from puppet theatre to a museum belonging to the son of the physician to King Edward VII.

For Vision Box Cinema Limited, the company owned by couple Simon Ward and Corinna Downing, it's been a chance to realise a dream.

With the help of a Small Business Boost loan, they have made it happen, building a successful arts film venue and event space in Kent named recently by Time Out as one of the top cinemas in the UK and Ireland.

"We had both worked in the film industry for most of our working lives so when we realised the cinema was up for sale, we looked for ways to buy it and keep it going," Simon recalls.

"We wouldn't have been able to raise the money we needed without the loan. It was the difference between doing it or not doing it."

"We came across the Small Business Boost loan scheme, putting together a proposal for how we saw the cinema shaping up over a five-year plan. I'm pleased to say that we succeeded in our application.

We wouldn't have been able to raise the money we needed for the purchase without the £50,000 we received through the Small Business Boost scheme. It enabled us to buy the business and gave us a little working capital as well.

Before us, the cinema had been showing more commercial films; but with a multiplex opening near us we needed to offer something completely different, from crowd-pleaser matinees and kids' shows to foreign language films and special events."

Simon and Corinna have not only been able to double turnover and create jobs but have built a loyal following both in Kent and further afield with plans to add live performance soon.

In terms of advice for new applicants, Simon said showing you have both the vision and right level of experience is key.

"We worked hardest at giving a sense of our experience. It's one thing to apply for money, another to show you can use that money wisely."

TOP TIPS

- ✓ **Be really practical about your skill set and any experience you have.**



Curco

📍 Canterbury

Being successful in business is often about both seeing and seizing an opportunity. That was certainly true of Canterbury catering and cleaning supplies company, Curco – with the help of a loan from Small Business Boost.

“We knew someone who ran a similar type of business and had the contacts for suppliers who said it would give us a lot more freedom,” Denise said. “It was quite a step because we were both in our 40s at the time and had two children at home.

At the start it was very much part-time because we were running three businesses at once, in effect. Within a relatively short time we stopped the other two because Curco was taking off.”

“We did what we said we were going to do in the application process – grow our company, employ more people and move our business.”

Denise and Del initially ran the business from a small office in the garden of their home at first but soon outgrew the outbuildings used to supply their growing client list of pubs, bars, and hotels.

“We could see the business growing rapidly and knew that we needed a warehouse and a proper office, not an outbuilding little bigger than a garden shed,” Denise said.

“We found out about Small Business Boost and put together a business plan. It was still a very small company, so it wasn’t a huge plan at the time, but we had huge plans for our company and the drive and energy to deliver it.”

That passion for what they wanted to achieve with the business proved important in securing the loan.

“We had to prove our passion for our company and wanting it to progress,” Denise said.

TOP TIPS

✓ Do your research.

We spent hours getting to know our sector making sure we met the needs of our target customer and how to meet their needs and expectations.

“We did what we said we were going to do in the application process – grow our company, employ more people, and move our business.

“We got the loan through in the September and the next month had moved into our new premises, immediately employing another member of staff. We’ve just grown from there.”

