

Financial Supports

County & City Enterprise Boards are local enterprise advisory and support organisations based in every local authority area in Ireland. They are, in effect, a one-stop shop for those thinking of starting a business or a source of enterprise advice and support for existing small firms.



County & City
Enterprise Boards

Supporting local enterprise

www.enterpriseboards.ie



County & City Enterprise Boards are funded by the Irish Government and EU Structural Funds under the National Development Plan 2000-2006

County & City Enterprise Boards operate schemes aimed at assisting, through standard grants and refundable aid (capital, employment or equity participation) the establishment of small-scale economic projects with the central objective of facilitating the creation and maintenance of sustainable jobs and the development of economic infrastructure at local level.

The Boards seek to:

- Maximise the employment and value added potential of micro enterprises,
- Contribute to national competitiveness,
- Reduce dependence on traditional or declining economic sectors,
- Support greater participation of the unemployed and women in the promotion and development of enterprises,
- Provide employment opportunities in less developed and remote areas so as to achieve more enduring and value-added balanced regional development.

New and existing small enterprises in the qualifying sectors of manufacturing and internationally traded services may benefit from a capital, employment or feasibility study grant from their local County or City Enterprise Board. Eligible enterprises include those employing fewer than 10 full-time staff.

Capital grants can be made available towards the purchase of new machinery and equipment, the construction of new or the extension of existing workspace while employment grants may be offered towards self-employment or the recruitment of additional full-time staff. Feasibility study grants apply where the promoter wishes to assess the viability of a new business venture, undertake a market survey, engage in product or prototype development or indeed buy in outside consultancy to assist in the evaluation of a new product or venture diversification.

Q. What are the criteria for assistance?

A. Projects seeking financial support must have less than ten employees, be in the commercial sphere and demonstrate a market for the product /service and most importantly have a capacity for growth and job creation. In particular, project promoters should be able to demonstrate that:

- There is market for the proposed product or service

- Adequate overall finance will be available to fund the project
- They possess the management and technical capacity to implement the proposed project. Projects to be assisted should add value so as to generate income or supplement income for those involved and should have the capacity to create new direct employment either full/part time/seasonal or should at a minimum contribute directly to the maintenance of employment in existing enterprises.

Q. How do the Enterprise Boards select projects for grant assistance?

A. The County & City Enterprise Boards pursue a systematic appraisal of all project proposals. The initial application is assessed by the Evaluation Committee and a recommendation is made to the Board on the level and form of assistance having regard to the other sources of finance available. An overriding requirement is the avoidance of displacement or dead-weight. The key selection criteria are as follows:

- The quality of the project proposal and its local relevance and economic benefits
- The commercial viability of the enterprise and of the project proposal
- Availability of matching finance/current funding position of the enterprise and proposed sources of funding
- The cost effectiveness of the proposition
- The contribution of the proposal to the development of the enterprise in terms of internal capacity
- Potential for deadweight or displacement
- Impact on poverty, equality, rural development and the environment.

Priority must be given to manufacturing and internationally traded services, which over time can develop into strong export entities and graduate to the

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Enterprise Ireland portfolio; tourism projects aimed predominantly at overseas visitors and locally provided services promoted by the unemployed or those recently made redundant and also women re-entering the workforce.

Q. What grants are available?

A. The Enterprise Boards have four types of financial incentives available:

- Feasibility Study Grant (BMW region: maximum €6,350; South and East region: maximum €5,100)
- Capital (/Refundable Capital) Grant up to €75,000
- Employment (/Refundable Employment) Grant up to €7,500 per new employee up to ten employees. The employment grant may also apply to a person starting up his/her own business.
- Equity Finance – up to €75,000 can be invested in qualifying limited companies in the form of Preference Share Investment.

Q. What is a Feasibility Study Grant?

A. Feasibility grants may be provided to assist with the cost of necessary studies undertaken by the Promoters of new or existing businesses, for the purpose of assessing market demand for a proposed new product or service, the appropriateness of the associated funding plans and the general viability and sustainability of the venture. The scope of a feasibility study may include; consultant's fees incurred on market research, product development, financial evaluation, site assessment and business plan. In the BMW region a maximum of 60% of the cost of preparing a Feasibility Study, subject to the overall limit of €6,350 in the case of a single project is available. For the S&E region rates are 50% of the cost up to a maximum of €5,100.

Q. How does a Capital Grant Work?

A. A Capital Grant can be obtained towards the purchase of equipment, construction of a workspace/factory, or the refurbishment and fit out of an existing building.

In the BMW region, a Capital Grant up to a maximum of 50% of eligible investment or €75,000 applies. Any portion of a grant which exceeds 40% of eligible fixed assets must be in refundable form.

In the S&E region a Capital Grant up to a maximum of 50% of eligible investment or €75,000 applies. Any portion of a grant which exceeds 35% of eligible fixed assets must be in refundable form.

Capital Grants for the purchase/acquisition of buildings are not available.

Q. Explain Employment Grants

A. Employment grants up to a maximum of €7,500 per employee for up to 10 employees may be awarded to qualifying new/expanding enterprises in lieu of capital grants but only in cases where it can be clearly demonstrated that labour shortages do not exist.

An Employment Grant is paid in two parts. The first moiety of the grant is paid when the person is taken on (on a full-time basis) and registered with the Revenue Commissioners. The second moiety is payable six months later, if the person is still in full-time employment. Employers will be required to show that the employee has been registered and is being returned for Income Tax.

The rate of €7,500 per job applies in both the BMW and the S&E regions.

Q. How does Equity Finance work?

A. Boards are authorised to support companies through the purchase of shares, provided the normal criteria for eligibility and limits for a Capital Grant are met. Any amounts representing dividends or other money received by the Board in respect of shares purchased, taken or subsequently sold under this heading will be retained by the Boards for local redistribution.

Q. How do I go about making an application?

A. A grant application can be made by completing an application form and submitting it to the >>

Enterprise Board located in the area where the business will operate. On receipt of an application, Enterprise Board staff will contact the promoter to arrange a meeting or seek additional information.

Q. If I find it difficult to fill in the form, where can I get assistance?

A. Enterprise Board staff are available to assist promoters to complete applications forms and highlight supporting documentation required.

Q. If I am still at the ideas stage can I discuss it with the Enterprise Board?

A. Yes, most Enterprise Boards operate information centres and employ Business Advisers who will be in a position to discuss your proposal with you and identify the most appropriate supports/steps to take to advance your business proposition. Staff will also be in a position to direct you towards appropriate soft supports such as training courses, mentors and workshops etc.

Q. Can I be guaranteed that my ideas will be kept confidential?

A. Any discussion between the Enterprise Board and businesses/individuals looking for assistance are held in the strictest confidence.

Q. How do I find my local Enterprise Board?

A. To find your local Enterprise Board visit www.enterpriseboards.ie.

Tá leagan Gaeilge den bhileog seo ar fáil ach í a iarraidh.