

THE PERTH AND KINROSS BUSINESS FUND: GUIDE TO MATCHFUNDING

About

The Perth and Kinross Business Fund is an innovative partnership between Perth & Kinross Council and Crowdfunder, the UK's largest crowdfunding website.

If you are a new business start-up or existing SME looking to grow, and you have the support of the people of Perth and Kinross to back your business development idea, then you may be eligible for a matchfund¹ from Perth & Kinross of up to 50% of the total project cost, up to a maximum of £5,000 per enterprise.

This guide explains about our matchfunding pot, the eligibility criteria for receiving funding from us, how to make an application for matchfunding, and the process for doing so.

Please read this document carefully before launching a crowdfunding campaign and filling in the online application form. If you have an idea that you would like to develop or test with us before launching your crowdfunding project or applying for matchfunding then please get in touch with Businessdevelopment@pkc.gov.uk and we can give support and advice. Additional coaching and support is available directly from Crowdfunder to help you crowdfund successfully.

How much money is available?

We have established a matchfunding pot to support local crowdfunding projects. Matchfunding awards will be made until the end of March 2022 or for as long as funds remain available. We will award up to 50% of the crowdfund campaign target (to a maximum of £5,000, whichever is the lesser). For example, if your crowdfund target is £20,000, we will only consider matching up to our maximum of £5,000.

Who can access matchfunding?

- Organisations operating in the Perth and Kinross council area
- Have a business plan if you are a start-up business / business growth plan for existing SMEs
- A UK bank account

What documents might you need?

As part of the application process, and to confirm your eligibility to receive public money, you will be required to submit one or more of the following:

- Constitution document
- Memorandum Of Understanding
- Memorandum Of Association & Articles Of Association
- Public Liability Insurance

¹ Note: the words matchfund, pledge and grant, are used interchangeably in this document and across various platforms promoting the Crowdfund Perth and Kinross programme.

- Accounting or financial information to prove solvency

Where this information cannot be supplied, you will need to provide a written statement of the reasons.

Eligibility Criteria

To receive matchfunding from us your project must:

- Be within the council area of Perth and Kinross area
- Be formally constituted in the UK, with a bank account
- Help residents into employment or closer to employment, or bringing economic benefit to the region
- For applicants applying as a result of Covid-19 - demonstrate how you have been adversely affected by COVID-19. For example, showing evidence of declining cash flow /loss of bookings
- Demonstrate strong local support, shown through a vibrant crowdfunding campaign
- Achieve 25% of your crowdfund target, from at least 20 unique backers, before a matchfund from Perth and Kinross Council is considered
- If you receive a matchfund from Perth and Kinross Council and it does not take you to your target, then you must continue crowdfunding until you reach your target in order to collect the matchfund from the council.
- Priority will be given where the project is for an existing independent, small or medium sized enterprise seeking to grow.

Projects that we cannot support with a Perth and Kinross Council matchfund include:

- Activities that promote political views or religious beliefs
- You are a betting shop or off licence shop
- Projects already fully funded by other sources
- Spending that has already taken place
- Statutory organizations
- Projects from individuals (if you are an individual with an idea, you could link up with a local organisation - if you would like help with this contact Businessdevelopment@pkc.gov.uk)

Perth and Kinross Council reserves the right not to fund, or to withdraw funding during a campaign if it becomes apparent that any of the criteria are not being met or where the applicant has outstanding debt due to the Council.

How to apply

Upload details of your project to Crowdfunder, and once your project is identified as being within Perth and Kinross, you will have the opportunity to make an application online through Crowdfunder's website. In the application form we will require you to tell us:

- The aims and objectives for the project and why it is needed
- The outcomes to be achieved
- How the impact will be achieved and measured. You may also be required to submit the following documents specific to your project: Health and Safety policy, Risk Assessment, Equality and Diversity Policy

We may follow up your application with additional questions or queries in advance of making a decision. If at any point during planning or delivery, there is a major change in your project plan or change to delivery milestones please notify us.

Awarding Funds

If your application is successful, we will approve a matchfund on your crowdfund campaign. The matchfund will, as a minimum, be subject to checking of any supporting documents you have been asked to provide.

If your project is awarded matchfunding then delivery of the project must be underway, and our funding element spent within one year of the date of the crowdfund campaign.

Releasing Funds

The release of matchfunds is subject to the crowdfunding target being reached. You will receive your funds in two parts:

1. Monies raised from the crowd will be transferred to your nominated account shortly after you hit your funding target. If the information is not satisfactory, we may withdraw the offer and will write telling you the reasons why. You will be free to submit a new application which will be assessed on its merits and in competition with any other applications.
2. Matchfunding will be paid upon completion of your successful crowdfund and once all due diligence checks are complete. All monies are transferred using MangoPay, a secure end-to-end payment technology. MangoPay has the highest levels of payment security and is fully compliant with anti-money laundering and anti-terrorism law.

Monitoring the funds

If we matchfund your project you will need to complete an end of project report to confirm how the funds were spent and what you achieved. We reserve the right to request invoices or receipts to evidence that matchfunding has been spent for the purposes intended. For the same reason, we reserve the right to audit project delivery.

Unsuccessful applications

If your application is not successful, we will write to you telling you the reasons why. Please consider the feedback carefully before deciding whether to apply again. Since we seldom have enough funds to support all the applications we would like to, if you send us the same application again it is likely to be unsuccessful. We suggest you only apply again for the same project if you can make a much stronger case.

Exclusions

Matchfunding is the giving of public money so it is important that it is used appropriately. Therefore, it cannot be used to fund:

- Projects for activities that cannot evidence how they will meet the identified needs of the beneficiaries

- More than 10% of the capital costs of the total value of the project purchase of land, building/refurbishment or building projects
- Projects which are purely research
- Costs of ongoing staff – including salaries of permanent or fixed term staff
- Costs incurred in putting the application together
- Political or religious activities
- Projects that take place outside Perth and Kinross
- Repairs and maintenance to buildings or equipment
- VAT that you can recover
- Loans or interest payments
- Purchase of alcohol or illegal substances

This list is not exhaustive. You should contact us if you are unclear whether your project, or elements of your project, would breach these rules.

Funding terms and conditions

If you are approved for, and subsequently receive, a matchfund from Perth and Kinross Council, it will be on the basis that you have agreed the following general terms and conditions:

1. You confirm the money will be spent on the project approved by Perth and Kinross Council and set out in your application and crowdfunding page.
2. No changes to the project will be made without our agreement. You must also inform us immediately of any proposed change relating to matchfund expenditure or the organisation.
3. You will return an impact report using the form provided; this will usually be requested three months after your crowdfunding project closes successfully.
4. Crowdfunder or Perth and Kinross Council representatives may wish to visit to see the work funded by the matchfund and we hope you will support this.
5. The Council reserves the right to withhold a matchfund or require repayment if it finds that any form of deliberately false or misleading information was provided to the Council or Crowdfunder.
6. The Council reserves the right to withhold a matchfund or require repayment if the applicant becomes insolvent or goes into administration, receivership, or liquidation, and if the matchfund has not already been spent on its intended purpose.
7. The matchfund may be fully repayable if business ceases trading or moves outside the Perth and Kinross area within 1 year of receiving the matchfund.
8. The matchfund is subject to Perth and Kinross Funding Terms and Conditions as well as the Crowdfunder terms and conditions.
9. If you want to acknowledge our matchfund in a press release or any other type of media coverage, you will need our agreement first.

10. You agree that Perth and Kinross Council and Crowdfunder may publicise the matchfund and use any of our own material in doing so. This may include your agreement to allow us to produce a case study.
11. You may be required, to participate in publicity initiatives arranged by Perth and Kinross Council to promote our Crowdfunder funds and programme.

P&K Council reserves the right to amend this information at any time.