



The Business Improvement Scheme

Guidelines

ISSUED BY THE DEPARTMENT FOR ENTERPRISE

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1. THE BUSINESS IMPROVEMENT SCHEME

1.1 Introduction

The Business Improvement Scheme (The Scheme) is a scheme of the Department for Enterprise (The Department) designed to help businesses complete business improvement projects through independent external consultancy and develop their business skills and management competencies through support by specialist consultants. The Scheme replaces the Business Support Scheme and operates under the Enterprise Act 2008.

Several changes have been made to the support previously available under the Business Support Scheme. These changes include an increase in grant funding; the addition of new business consultancy disciplines; the removal of those disciplines that businesses have not found useful; and the introduction of a streamlined application process. The aim of these changes is to make the Scheme more flexible and relevant to businesses on-Island and to encourage a greater number of businesses to apply.

The Scheme offers a grant of 50% towards the cost of consultancy projects in a wide range of business disciplines up to a maximum value of £5,000 per project, other than the Digital Marketing / Social Media and Website disciplines, where the maximum value of support is £10,000 per project.

In August 2020 amendments were made to the Digital Marketing / Social Media and Transactional Website disciplines in response to the Coronavirus pandemic based on recommendations made by the Economic Recovery Group (ERG). Available support under these two disciplines only was increased from £5,000 to £10,000 per project, with the eligibility criteria of targeting off-Island customers being removed. Websites are no longer required to be transactional, and businesses wishing to upgrade or improve existing websites are also now eligible to apply. In order to take advantage of this further support businesses must submit their application to the Department before the 31st March 2021. Projects seeking approval under these two disciplines are expected to be completed within six months of being approved unless previously agreed with the Department. Projects which exceed this time limit may have their funding withdrawn.

The Scheme is one of a number of business support initiatives operated by the Department, details of which can be found at www.iomdfenterprise.im/bis

For further advice and guidance regarding the Department's grants and assistance schemes including the Business Improvement Scheme, potential applicants are encouraged to complete the brief online enquiry form hosted at www.gov.im/businessenquiries

Disclaimer

The information contained in this document is intended to be general in scope and should not be relied upon as advice.

The Business Improvement Scheme operates entirely at the discretion of the Department for Enterprise. An applicant's eligibility under the Scheme will be assessed from information submitted by the applicant in the application form. Provision of financial assistance is discretionary and the decision to provide assistance in any particular case will be based on the merits of the case.

The Department is under an obligation to process and consider all applications reasonably, but it is not under any obligation to support an application.

The Department may amend these Guidelines from time to time. While every effort has been made to ensure that the content is correct and up-to-date at the time of publication, the Department does not accept any responsibility, legal or otherwise, resulting from any errors or omissions and shall not be liable for any losses or damage that anyone may suffer as a result of relying on the information contained herein.

Prospective applicants may wish to take professional advice before making an application and should seek advice in relation to any documents they are asked to sign whereby they offer security for any financial assistance offered to them.

Important Note - Support is not available for any project which commenced before the application form was submitted and applicants should await confirmation of Government support before commencing the project.

Any offer of a grant is also subject to the availability of Department funds.

1.2 Purpose and Scope

The Scheme aims to increase the global competitiveness of Isle of Man businesses, enable businesses to adapt to changes in economic conditions, to support growth and to help businesses become more efficient and profitable.

The Scheme offers financial assistance towards independent external consultancy costs for business improvement projects with the specific purpose of helping businesses become more effective and efficient. In most cases, Project Consultants should be based on-Island, though off-Island consultants can be used if none are available on-Island. The Scheme does not support grants for hardware or software.

The assistance aims to deliver a complete business solution for an aspect of a business where sufficient knowledge, resources or a combination of both may be lacking. The project must provide the business with an appropriate business solution and a tangible outcome.

The Scheme encompasses 9 key disciplines that cover various aspects of business. The level and area of support available is dependent on whether the business is exporting or not.

The disciplines are:

- Brexit;
- Business Advisory Service - 100% funded by the Department, **Important note** - Normal eligibility requirements do not apply to this project discipline;
- Digital Marketing / Social Media;
- Environmental Efficiency;
- Information Communication Technology / Information Systems;
- Intellectual Property Protection Support;
- Legal, Financial & Professional Advice Concerning External Investment in Business;
- Legislation Compliance;
- Marketing;
- Quality Accreditations; and
- Websites

See section 2.0 for further details regarding the project disciplines.

1.3 Overview of Available Support

The Scheme offers funding for consultancy projects for businesses based on island and will support 50% of the project cost to a maximum value of £5,000 for all disciplines other than the Digital Marketing / Social Media and Website disciplines, where the maximum value of support is £10,000 per project. The Scheme supports consultancy projects only and does not support the purchase of hardware or software.

1.4 Eligibility

Important Note: Applicants for the Business Advisory Service are not required to meet the main eligibility requirements of the Scheme.

The main eligibility requirements are as follows: -

- Support is not available for any project which commenced prior to the submission of the application form. Applicants should gain confirmation of Government support before commencing the project.
- The project must not have received support under any other Government Scheme.

The business must comply with the Enterprise Act 2008 (Eligible Businesses) Regulations 2018 which states that an eligible business is one which meets the following criteria: -

- The business must employ at least one member of Isle of Man staff under a contract of employment (other than a person involved in controlling the business).
- **However** if the business is expected to have a turnover of less than £100,000 within the first 12 months of trading; or is within the first 18 months of trading and had a turnover of less than £100,000 in the 12 months immediately before the date of application, then the business does not require any Isle of Man members of staff in order to qualify for eligibility.
- The business is or will be based in the Island.
- The business can be conducted lawfully in the Island.
- The conduct of the business: -
 - (a) is not or would not be detrimental to the environment of the Isle of Man; and
 - (b) will not or would not be likely to bring the Department into disrepute.
- No person involved in controlling the business is disqualified from holding appointment as a director or a company secretary either in or outside the Island at the time of application.
- No person involved in controlling the business may be the subject of outstanding executions in the Island at the time of application.
- Each person involved in controlling the business must: -
 - (a) declare to the Department whether or not, at the time of application, the business is in compliance with the law in relation to: -
 - (i) income tax;
 - (ii) national insurance;
 - (iii) value added tax;
 - (iv) any other taxes or duties payable in the Island;
 - (v) health and safety;
 - (vi) planning;
 - (vii) employment; and
 - (viii) immigration or work permits.
 - (b) disclose any instances of non-compliance with the law in relation to any matter listed in paragraph (a) occurring in the period of one year ending with the date of application; and
 - (c) disclose the beneficial owners of the business at the time of application to the Department.
- Each person involved in controlling the business must disclose to the Department any criminal convictions of his or hers at the time of application.

For this purpose: -

- (a) it is immaterial where the offence was committed or the conviction was imposed;
- (b) disregard offences which are spent for the purposes of the Rehabilitation of Offenders Act 2001 (or would be had the convictions occurred in the Island);
- (c) disregard motoring offences; and
- (d) disregard offences which –
- (e) are not punishable with custody; or
- (f) would not be so punishable if committed in the Island.

Eligibility for assistance under the Scheme is determined by the Department at its discretion. The eligibility criteria may therefore change from time to time.

A flowchart outlining the current eligibility criteria is available at - www.iomdfenterprise.im/bis

Should you require further assistance regarding eligibility, please call 01624-687333 or email enterprisesupport@gov.im

The following table shows the nine available project disciplines and whether all businesses are eligible or eligibility is restricted to exporting businesses only: -

Discipline	Eligible businesses
Brexit	All Businesses
Business Advisory Service	All Businesses
Digital Marketing / Social Media Consultancy	All Businesses
Environmental Efficiency	All Businesses
Information Communication Technology / Information Systems	Export businesses only
Intellectual Property Protection Support	All Businesses
Legal, Financial & Professional Advice Concerning External Investment in Business	All Businesses
Legislation Compliance Consultancy	All Businesses
Marketing	Export businesses only
Quality Accreditations	All Businesses
Website	All Businesses

The Department recognises that businesses may require different types of assistance at different stages of their growth. Businesses can therefore apply to the Scheme multiple times for a) different project disciplines and b) for multiple projects within the same discipline e.g. quality standards.

1.5 Applicant responsibilities

The Department does not indemnify the Project Consultants in respect of any guidance and/or works undertaken for a business. Applicants should ensure that their chosen Project Consultant is a business, adequately insured and has the necessary skills, experience and accreditation to undertake the chosen project.

The Project Consultant is an independent contractor and is not an employee of the Department. The Department will not be party to any subsequent contract entered into between the business and the Project Consultant.

To the fullest extent permitted by law, the Department for Enterprise, will not accept any liability for any loss suffered by the business because of any action or inaction taken by the business as a result of any guidance offered by the Project Consultant subsequently appointed.

1.6 The Process

a) Application process.

Applicants are encouraged in the first instance to complete the brief online enquiry form which can be found at <https://www.gov.uk/categories/business-and-industries/business-support-and-assistance/enquiry/>. The applicant should include as much information as possible to allow the Department to evaluate eligibility against its various schemes.

Applicants should then complete sections 1, 3 & 7 of the BS1 application form available at www.iomdfenterprise.im/bis. The application form must include details of the applicant's business, the project discipline, the proposed project and Consultant. A full quotation and breakdown of the proposed project should accompany the application.

Upon receipt of the application form, the Department will perform the necessary checks in relation to the business and project eligibility etc. and will also perform checks regarding the chosen Project Consultant. Applicants should ensure that all matters in relation to income tax, N.I. and V.A.T. are up-to-date at this time and remain so throughout the process.

Businesses wishing to apply under the Digital Marketing / Social Media Consultancy and Website disciplines must do so by the 31st March 2021 in order to take advantage of the increased £10,000 support. Applications received after

the 31st March 2021 under these disciplines will be eligible for £5,000 only as per the other disciplines. Projects seeking approval under these two disciplines are expected to be completed within six months of being approved unless previously agreed with the Department. Projects which exceed this time limit may have their funding withdrawn.

Once the necessary checks have been completed and the Department is satisfied with the application, you will receive an email stating that you can commence the project.

b) During the project.

It is the responsibility of the applicant to manage the project and work closely with the Project Consultant at all times. The Department will not get involved during this stage of the process.

c) Project completion.

Once the applicant is satisfied that the project is fully completed and has performed the necessary testing etc., the applicant should then pay the Project Consultant in full and obtain a receipt for this payment.

The payment receipt should then be submitted to the Department alongside evidence that the project has been completed. Evidence of project completion is summarised as follows: -

Discipline	Requirement
Brexit	Report
Business Advisory Service	Report
Digital Marketing / Social Media Consultancy	Report for audits / Evidence of Implementation for projects
Environmental Efficiency	Report
Information Communication Technology / Information Systems	Report
Intellectual Property Protection Support	Report
Legal, Financial & Professional Advice Concerning External Investment in Business	Report - Or proof of funding raised if applicable.
Legislation Compliance Consultancy	Report
Marketing	Marketing Plan
Quality Accreditations	Accreditation Certificate
Website	Evidence of project completion e.g. website available and accessible online

Before payment can be made, the Department must be satisfied that the applicant business does not have arrears of income tax, national insurance or VAT. If these checks are cleared and the Department is satisfied with all documentation submitted regarding the project, payment will be made. Payments are made by electronic transfer direct into the business bank account. The payment, once authorised, takes approximately 2-3 weeks to reach the applicants business bank account.

Payments to applicants with arrears of income tax, national insurance or VAT will be held until such arrears have been cleared.

1.7 Declined Applications

Where the application for the grant has been refused, the applicant will be informed in writing. In such cases, the applicant has 21 days to request in writing a review by the Department stating the reasons for the review.

2. Project Disciplines

As outlined in “1.4 Eligibility” above, access to project disciplines is restricted by business sectors with specific disciplines limited to exporting businesses only.

2.1 Brexit

All sectors may apply.

In light of the uncertainty surrounding Britain’s exit from the European Union, many businesses have highlighted a need to gain professional assistance to establish what impact this will have their business. This funding aims to help businesses gain expert advice on how these changes may impact upon their business.

This new discipline has been added as a support to businesses (both export and domestic) that trade with the EU, who procure goods or services from the EU, have staff from the EU to help them adapt to changes post Brexit.

A project can include: -

- Analysis of business impact relating to changes in trade agreements
- Changes to immigration rules
- Legislation changes due to the Brexit.

2.2 Business Advisory Service

All sectors may apply and 100% of this funding is provided by the Scheme.

Important Note: Applicants for the Business Advisory Service are not required to meet the main eligibility requirements of the Scheme.

The Department realises that sometimes businesses may have issues that they cannot resolve, or not be aware of areas for improvement and so have included an option for a Business Advisory service only. Under this discipline, an independent project consultant will visit you to discuss your business needs/issues, where your business is now and where you want it to be in the future. The Department will enlist the services of Advisors from the Micro Business Grant Scheme where appropriate or alternatively will enlist the services of other specialists where the business need arises.

Consultancy can include: -

- Identification of opportunities and areas of development
- Aid developing an understanding of market sectors and competitors
- Provide access to internal and external support networks
- Passing on experience, information and knowledge
- Impartial analysis of your organisation
- Support and advice on issues you raise
- Help to set short term targets and long term goals

The usual format utilised with this consultancy is: -

- The Project Consultant will hold an initial 1-2 hour meeting with the business in order to ascertain the current position and identify areas of concern etc.

- The Project Consultant will then analyse the business requirements and will submit a report to the business with regard to potential solutions.
- After an agreed period of time, the Project Consultant will meet with the business again for a 1-2 hour meeting to a) review progress against the report and b) make further suggestions where applicable.

The format may be changed if there is mutual agreement and decisions will be made on a case by case basis.

2.3 Digital Marketing / Social Media Consultancy

All sectors may apply under this discipline which supports independent external consultancy costs towards: -

- 1) Audits of existing Digital Marketing and Social Media platforms and
- 2) The creation of new social media and digital marketing platforms and initial training on those platforms.

Ongoing content management, recurring costs (e.g. adverts, Google pay-per-click, agency fees etc.) training costs (outside of new systems implementation) are not supported.

Digital marketing platforms/systems include: -

- Google Analytics
- Content Management System (CMS)
- Customer Relationship Management (CRM)

Social media platforms supported are: -

- LinkedIn
- Twitter
- Facebook
- Instagram
- Pinterest
- Other social media platforms may be utilised if there is a legitimate business case for same.

Available support under this discipline was increased from £5,000 to £10,000 in August 2020 for applications received before 31st March 2021. Projects are expected to be completed within six months of being approved unless previously agreed with the Department. Projects which exceed this time limit may have their funding withdrawn.

2.4 Environmental Efficiency

All sectors may apply.

In recent years, businesses have been more focused on environmental issues and have recognised that gains in profitability can be made by the effective use of waste and energy management technology.

In order to gain maximum benefit from implementing environmental management systems (EMS), businesses need to understand the issues involved in effective environmental management and require a comprehensive environmental review of their facilities.

Support for this can be provided which also includes an evaluation of resources and waste management, leading to the effective use of all resources.

Consultancy can include: -

- Energy efficiency surveys
- Operating and maintaining an EMS
- Development of an EMS
- Materials use and waste management
- Environmental legislation
- Organisational impact on the community (part of an EMS)
- Energy conservation and sustainable energy generation

Where an energy survey report is applied for, the business may then use the report as part of an application for the Business Energy Saving Scheme (BESS) which supports businesses by offering loans of up to £20,000 (with 0% interest and payment terms of 5 years) to improve energy efficiency. Further details of the BESS can be found at - www.iomdfenterprise.im/bess

2.5 Information Communication Technology / Information Systems

This project discipline is only available to businesses selling goods or services off-Island.

Organisations are under increasing pressure to enhance efficiency in order to remain competitive. As such, their ICT/IS systems also come under pressure to provide necessary improvements.

New start-up businesses and businesses with existing systems may not be capable of radical improvements nor permit radical organisation changes and rapid advances in technology make finding and implementing the right solution very difficult.

ICT/IS consultancy helps organisations overcome these problems and enhance their efficiency through effective use of their information systems.

Consultancy can include: -

- Strategic Review
- System Design/Audit
- System Procurement/Implementation support
- Security/Risk/Disaster
- Networks and communications
- Software Development

This discipline covers ICT Surveys and strategies associated with running of the business and providing general IT-related advice, but does not cover the cost of hardware or software that is required for strategy implementation.

2.6 Intellectual Property Protection Support

All sectors may apply.

Advice on protecting intellectual property rights is extremely important to businesses and can be very expensive. The Department recognises that the costs involved may prohibit businesses from seeking advice in this area and so wishes to assist with the costs in order to ensure businesses get the advice they need to adequately protect their interests. This discipline therefore provides funding for businesses who wish to undertake the services of a consultant (legal or otherwise) regarding intellectual property protection.

Intellectual property is divided into two categories, Industrial Property e.g. patents, trademarks, industrial designs, geographical indications and Copyright e.g. literary works, films, music, artistic works. Businesses may be unsure of what options are available to them in order to protect themselves against rivals copying or stealing their business. It is envisaged that applicants would utilise this consultancy in order to ascertain what protection is available to their business/business idea and to gain information on how to apply for protection. The funding is not to cover registration fees for patents, trademarks, etc.

Consultancy can include:

- Advice on what to protect;
- Advice on timeframes available for protection if applicable; and
- Report detailing what options are available and how to put the protection in place.

2.7 Legal, Financial & Professional Advice Concerning External Investment in Business

All sectors may apply.

The decision on whether to introduce external funding into a business, who to accept the funding from and implications of an investment may prove complex for businesses. For this reason, the Department has taken the decision to offer funding towards legal, financial and professional advice required to help the business make a decision on what funding option, if any, would be advisable for the business to accept and to gain an understanding of the contract between the parties. In addition, this project discipline can also be used towards the costs of engaging an external consultant to raise funding on behalf of the applicant.

Consultancy can include:

- Fundraising on behalf of the applicant which can include, but is not limited to: -
 - Matching the company to investors through contacts and events hosted by the advisors; and
 - Platform and associated technical consultancy services for the applicant to attract investment (e.g. crowdfunding platforms) etc.
- Advice on the implications of a proposed investment in a business;
- Advice on the preparation required for external investment;
- Key employment considerations;
- Identification of potential legal changes required e.g. company structure as a result of accepting funding; and
- Identification and liaising with potential investors on behalf of the business (non-recurring costs).

Important Notes: Businesses will be permitted to make more than one application under this project discipline, but applications will be co-reviewed and assessed by the Enterprise Development Scheme Manager. With reference to fundraising on behalf of the applicant, the professional advisor must be at least partially successful in raising the funding in order for the applicant to be eligible for the grant. Where partial success is achieved, the grant will be paid on a pro-rata basis.

2.8 Legislation Compliance Consultancy

All sectors may apply.

Changes in legislation and the impact of specific legislation can prove daunting for businesses. Failure to comply with legislative requirements can prove costly for businesses. All organisations need to understand their legal obligations.

Utilising independent external professional services for specific areas of legislation can save time and money for an organisation.

Consultancy can include: -

- Introduction of new legislation e.g. Equality Act 2017, or GDPR etc.,

- Changes to legislative requirements.

This will take the form of a report outlining specific responsibilities/actions that the organisation must adhere to and explanation of changes requiring implementation in order to adhere to these changes.

2.9 Marketing

This project discipline is only available to businesses selling goods or services off-Island.

It is essential that businesses market their products and services efficiently. A marketing consultancy project will help devise a structured framework to meet the requirements of the competitive marketplace at home and abroad.

Consultancy will help the business to develop both strategic and tactical action plans.

It can include:

- An internal marketing audit
- A SWOT analysis (strengths, weaknesses, opportunities and threats)
- Competitor analysis
- Setting marketing objectives and strategies
- Evaluation of products/services
- Assessing new markets
- Reaching your customers
- Review of marketing literature, branding and image
- Marketing campaign

Funding maybe used to cover planning, strategy identification, branding and logo creation etc. Funding is not available for the cost of recurring campaigns and printing costs etc.

2.10 Quality Accreditations

All sectors may apply.

Achieving and maintaining the highest standards of quality is one of the most important priorities facing the managers of today's businesses.

There is a range of international standards and quality systems appropriate to a particular range of business sectors which assist the management of quality. For example International Organisation for Standardization (ISO) standards ISO9001 on quality management systems and ISO27000 on information security are widely accepted and recognised as international quality standards.

The primary aim of the Scheme is to assist with the cost towards the on-Island consultancy required to help gain the business the required accreditation. However, if the Department's contribution towards the cost of the on-Island consultancy is less than the full £5,000, the balance of the grant can be used towards the costs of the external auditors assessment visit (the assessment cost, plus flights and accommodation only).

The Project Consultant should be based on-Island whenever possible, however if there is no suitably qualified consultant based on-Island, off-Island Project Consultants may be considered by the Department.

Important Note - Only fees relating to the initial assessment are eligible. Annual audits and re-certifications are ineligible, although transitions to revised versions of standards already held by applicant businesses, for example from ISO 9001:2008 to ISO 9001:2015, are supported.

The Department's contribution is paid to the applicant's Project Consultant upon the attainment of the accreditation being applied for. Applicant businesses will be liable for these costs if the accreditation is not attained. Proof of accreditation is required from a recognised certifying body such as UKAS.

Consultancy can include: -

- ISO9001
- ISO27000
- Customer Service Excellence (CSE)
- SALSA - Food Hygiene Standards
- Cyber Essentials
- Etc.

2.11 Websites

All sectors may apply.

This discipline is aimed at businesses that are: -

- Wishing to create a web site and/or
- Seeking to upgrade or improve an existing website.

Wherever possible the Department would encourage applicants to consider incorporating a transactional element into their websites to encourage and facilitate online sales and bookings to customers based both on and off-Island.

Available support under this discipline was increased from £5,000 to £10,000 in August 2020 for applications received before 31st March 2021. Projects are expected to be completed within six months of being approved unless previously agreed with the Department. Projects which exceed this time limit may have their funding withdrawn.

3. Application Form

The Application Form is available at www.iomdfenterprise.im/bis

Completed application forms and supporting documentation should be either emailed to enterprisesupport@gov.im

Or sent to:

**The Business Improvement Scheme,
Department for Enterprise,
St Georges Court,
Upper Church Street,**

Douglas,
Isle of Man
IM1 1EX