



# The Business Improvement Scheme

## Guidance

**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.

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.

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.

In August 2020, amendments were made to the Scheme based on recommendations made by the Economic Recovery Group (ERG) to provide increased support to businesses in the domestic sectors which were being financially affected as a result of the Coronavirus Pandemic.

In February 2022, the Isle of Man Government transitioned to an endemic classification of the Pandemic, and therefore the ERG Scheme enhancements were removed on 31<sup>st</sup> March 2022.

In January 2022, an addition was made to the Scheme under the Quality Accreditation project discipline to include the provision of support through the Investors in People (IIP) programme. This provides support for businesses wishing to discuss, achieve or retain the IIP accreditation.

In November 2024, support for energy audits under the Environmental Efficiency discipline was moved to the Business Emissions Savings Scheme (BESS) and support was increased from 50% to 75% towards the cost. Further details can be found [here](#).

The Scheme is one of a number of business support initiatives operated by the Department and its web page can be found [here](#). Details of the other Schemes operated by the Department can be found [here](#).

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 [here](#).

### Disclaimers

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 on 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 this Guidance from time to time. Whilst 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.

**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 10 key disciplines that cover various aspects of business. The level and area of support available is dependent on the 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;
- Information Communication Technology / Information Systems;
- Intellectual Property Protection Support;
- Legal, Financial & Professional Advice Concerning External Investment in Business;
- Legislation Compliance;
- Marketing;
- Quality Accreditations; and
- Transactional websites

See [Section 2](#) 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 project disciplines.

**Important Note** - 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: -

- it is immaterial where the offence was committed or the conviction was imposed;
- 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);
- disregard motoring offences; and
- disregard offences which –
- are not punishable with custody; or
- 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 application process and a factsheet outlining the eligibility criteria is available [here](#).

Should you require further assistance regarding eligibility, please call **01624 687333** or email [enterprisesupport@gov.im](mailto:enterprisesupport@gov.im).

The following table shows the ten 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	Export businesses only
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
Transactional websites	Export businesses only

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 accreditations 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 [here](#). The applicant should include as much information as possible to allow the Department to evaluate eligibility against its various schemes.

Applicants must complete the application form available [here](#). 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.

Once the necessary checks have been completed and the Department is satisfied with the application, you will receive an offer letter, which outlines the support that has been approved for the project. This must be completed, signed and returned to the Department in a timely manner. Once this is completed, the project can commence.

### 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 and business bank account details 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
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, except IIP which will be considered on a case-by-case basis.
Transactional websites	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, N.I. 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, N.I 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 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 and the Department regarding 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

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

### 2.4 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 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.

## 2.5 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 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 to protect themselves against rivals copying or stealing their business. It is envisaged that applicants would utilise this consultancy 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.

## 2.6 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 decide 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 for the applicant to be eligible for the grant. Where partial success is achieved, the grant will be paid on a pro-rata basis.

## 2.7 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; and
- 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 to adhere to these changes.

## 2.8 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; and
- 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.

## 2.9 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. This discipline also includes the Investors in People accreditation (IIP).

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 Notes** - Only fees relating to the initial assessment are eligible with annual audits and re-certifications being ineligible for grant funding support. Transitions to revised versions of standards already held by applicant businesses, for example from ISO 9001:2008 to ISO 9001:2015, are supported. The only exception to this rule is with regards to the Investors in People accreditation where support is also available for initial consultations regarding IIP prior to accreditation and to assist businesses in retaining their IIP accreditation. IIP is supported in this way as it was previously supported to this extent when it operated as its own individual Scheme and the Department wishes to maintain that same level of support.

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 - Quality Management
- ISO14000 - Environmental Management
- ISO27000 - Information Security Management
- Customer Service Excellence (CSE)
- SALSA - Food Hygiene Standards
- Cyber Essentials
- Investors in People (IIP)
- Microgeneration Certification Scheme (MCS)\*
- Etc.

\*The Microgeneration Certification Scheme (MCS) is a mark of quality assurance in the renewable energy sector. It's aimed at businesses that install small-scale renewable or low-carbon heat and power solutions. Further details can be found [here](#).

## 2.10 Transactional Websites

This project discipline is only available to businesses selling goods or services off-Island and supports external consultancy costs towards: -

This discipline is aimed at businesses that are: -

- Wishing to create their first transactional web site which incorporates a fully transactional payments system; and
- Seeking to upgrade an existing website to include transactional functionality.

Ineligible activities include a) creation of web sites which don't include payment systems and b) upgrades to existing payment systems.

**Important note** - It may not be practical for some exporting businesses to include a fully transactional element in their web sites, but the Department is keen to support these projects if they result in new business being attracted to the Island. Potential applicants of this type are encouraged to contact the Department to discuss their requirements and potential eligibility.

## 3. Application Form

The Application Form is available [here](#).

Completed application forms and supporting documentation should be either emailed to [enterprisesupport@gov.im](mailto: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