



**GUIDE TO ELIGIBLE AND INELIGIBLE PROJECT COSTS
FOR THE WEST MIDLANDS SME GRANT PROGRAMME (WMGP)**

ELIGIBLE PROJECT COSTS

West Midlands SME Grant Programme (WMGP) grants are awarded to projects where applications are able to demonstrate viability, need, sustainability and new investment. Eligible expenditure must be linked directly to the growth of the business and a WMGP project has to create new jobs.

For Birmingham, Solihull MBC and Shropshire based businesses, this is a Capital only grant programme.

For Cannock Chase based businesses, both capital and revenue expenditure are eligible for consideration.

Eligible expenditure is as follows:

For Existing SMEs/Start-Ups:

- Relocation, expansion and growth of existing businesses
- Develop new markets opportunities
- Promotional activities
- Innovation – Including the development of new products including prototyping, testing and commercialisation
- Improving systems and processes
- Capital investment, e.g., new plant, machinery and equipment
- Increase in productive capacity of new and existing premises through new property builds/refurbishment/extensions.
- Rural business diversification activities (for Shropshire businesses)

The grant funding will not be used for training and skills development.

Additional expenditure items for Start-Ups to aid business set up only:

- Small consumable items with a minimum value of £100 each (ex VAT), providing that these can be directly related to delivering your WMGP project
- Professional fees to aid business set up, i.e., legal and notarial fees, technical and financial expertise.

**New Product Development excludes R & D SMEs.*

It is recommended that before completing an application form, you contact your local partner who can offer free advice and support to discuss your project and the expenditure in more detail.

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INELIGIBLE PROJECT COSTS

Travel Expenses/Subsistence

- Accommodation
- Car parking
- Company vehicles
- Courier services
- Flights
- Food and drink
- Mileage
- Petrol, diesel or other fuel
- Refreshments
- Travel abroad

General Business Expenses

- Costs associated with legal/statutory business compliance
- Forwarding of post for a change of address as part of relocation
- Ink/toner cartridges or printer ink
- Internal employee wages/time
- Monthly bills/annual charges (i.e., telephone, internet, utilities, servicing of equipment, etc)
- Newspapers/journals
- Printing of current promotional material
- Postage of current promotional material
- Service/maintenance charges on office equipment
- Stock items
- Subscriptions to magazines, etc.,

Property Expenses

- Conversion of a building into offices or commercial/residential accommodation for rental purposes (including short term lets)
- Planning permission/building regulation fees
- Rent & rates for current or new premises
- Rent deposit on new premises
- Service charges

Professional Fees

- Accountancy fees
- Coaching and mentoring
- Consultancy fees relating to completing the application
- Recruitment
- Training (excluding training on a new piece of equipment purchased as part of a project)
- Writing of a generic business plan, generic marketing strategy, etc.,

Please note: this list is not exhaustive and may be subject to amendments

