

Back to Business Fund – Eligibility Criteria and Conditions of Funding

The second round of the Back to Business Fund supports small businesses from the sectors hardest hit by Covid-19 to not only come through the challenges presented by Covid-19 but to build back better by diversifying or digitising their business and adapting for the future.

Up to £10,000 in match funding is available to support your crowdfunding campaign, subject to application, to small businesses who are planning to introduce new ideas or changes to make their businesses more resilient. The match funding is provided through the Pay It Forward London crowdfunding platform.

The Fund is delivered in partnership with Southwark, Hammersmith & Fulham, and Croydon Councils. Businesses with fixed premises in these boroughs are eligible to apply for funding.

Since the launch of the Mayor's Pay It Forward London platform in April 2020, over 30,000 individual donations have been made by Londoners, raising over £2.5 million for 600 small businesses to help get them through the Covid-19 crisis.

Through the first round of the Back to Business Fund, the Mayor allocated £900,000 in match funding to 200 businesses to help them expand their operation online and make their premises more covid-secure. The £900,000 investment from the Back to Business Fund helped leverage over £2.3m in additional funds raised by supported businesses: a 260% amplification. That is, for every £1 pledged by the Mayor, the crowd have pledged £2.60.

How it works

1. You set up a Pay it Forward London campaign, enabling you to raise vital funds to stay afloat, rebuild and recover as well as galvanising the support of your community and customers.
2. You begin to crowdfund towards your financial target (which you can set – usually between £10-20k).
3. Once your Pay It Forward London campaign has been set up, you can apply for the match funding. You will be able to access support to ensure your crowdfunding campaign is a success through coaching by Crowdfunder and additional support delivered through webinars, training materials and toolkits to ensure the application process is accessible and clear. Upon making an application, you will need to accept the Fund terms and conditions, which can be found [here](#).

4. When your campaign is live and you have raised 10% of your financial target, your application will be assessed for eligibility by GLA officers week commencing 10th January 2022. If an application is eligible, it will be taken forward to the relevant borough lead who will then review the application and decide if it meets the criteria set.
5. If the application is approved in line with the eligibility criteria and you meet the required number of unique supporters (more details on this under “pledge criteria”), the Fund will pledge match funding, up to a maximum of £10,000 for businesses in Croydon and Hammersmith & Fulham and £5,000 for businesses in Southwark and no higher than 50% of the campaign target.
6. The funding will only be released once you reach 100% of your crowdfunding target.

Eligibility criteria

To be eligible to apply, you must be:

- Physically based within Greater London and with fixed premises in one of the following boroughs: Southwark, Hammersmith & Fulham, or Croydon.
- Qualify as a small to medium sized business (less than 250 employees). Priority will be given to micro businesses (less than 50 employees).
- Be an existing business - if you are freelance or self-employed, they will need to evidence that you have been operating for at least 12 months.
- Demonstrate that you have been adversely affected by COVID-19.
- Receive at least half of your income from trading and your staff are employees rather than volunteers.

Please see [the full application form in PDF](#) to understand what information will be required when completing your application

Exclusions

The following are not eligible for match funding:

- Non-commercial organisations (we define commercial organisations as those which receive at least half of their income from trading, and who’s staff are employees rather than volunteers).
- Schools, colleges and universities
- One-off events or campaigns
- If the business is in receipt of other de minimis aid that would result in their business exceeding the EU threshold of €200,000 over a rolling three-year period, making any grant funding not State Aid compliant

- Organisations seeking to distribute the funding onwards to others
- Projects promoting political views or religious beliefs

If you are not eligible for the Back to Business Fund, you can find out about other GLA funding programmes which may be relevant to your organisation [here](#).

Conditions of the Funding

This funding is provided on the basis that eligible businesses use the funding to increase their resilience, digitise or diversify their business, upskill their employees, innovate or adapt to trading through Covid-19.

For example, this could include:

- Changes to operations, consumer engagement or business model in order to respond to post-Covid challenges and continue to trade viably. For example, adaptations needed to ensure that your product meets more stringent hygiene guidelines or improve consumer confidence.
- Investment in technology solutions such as e-commerce, accounting software, customer relationship management (CRM), cloud-based computing and building or upgrading your website
- The creation of new, or improvement of existing, products, services or processes that have the potential to lead to an improvement in outcomes, efficiency, effectiveness or quality. For example, adopting emerging technologies such as Artificial Intelligence (AI), conducting research and development (R&D) activity, or 'pivoting' products, processes and services to reach new customers.
- Investing in programmes, courses or software to improve business leadership and management skills.

Through the online application form, you would need to clearly explain how this funding will increase business resilience by supporting you to adapt or innovate in response to Covid-19, and present a clear and deliverable business plan and budget.

Pledge criteria

If your application is approved, a pledge will be made to cover 50% of your crowdfunding target, up to a maximum of £10,000 for businesses in Croydon and Hammersmith & Fulham and £5,000 for businesses in Southwark (so if you're raising £10,000, we will pledge £5,000 of that total - though there is no cap on how much you can raise from the crowd).

How to secure the funding:

Step 1: Apply for the fund and get your campaign live and funding. Once you have raised 10% of your financial target, your application will be reviewed by GLA officers week commencing 10th January 2022.

Step 2: Once your application has been approved, your project must meet the following fund condition:

1) Raise funds for your initial crowdfunding target from a minimum number of individual supporters:

25 individual supporters if the target is up to £2,500

50 individual supporters if the target is over £2,500

A pledge will not be made if this condition is not met

*See below for more information about how this is calculated.

Step 3: The Fund will confirm in principle that it will pledge up to 50% of your crowdfunding target to a maximum of £10,000 for businesses in Croydon and Hammersmith & Fulham and £5,000 for businesses in Southwark.

Step 4: You must then raise the remaining funds from your crowd of supporters within a maximum of 6 weeks, achieving 100% of your initial crowdfunding target to secure the pledged funds.

Step 5: The pledged funds will be released to you, once your project has closed successfully.

***Please note the following conditions about how the individual supporters are calculated for the purposes of the fund conditions:**

1. The individual supporters must be genuinely unique unless approved in advance by the GLA and Crowdfunder in their sole discretion. To determine this we will take account of information including but not limited to name, address, email address and payment card used email addresses and unique payment cards.

2. Individual pledges above 20% of Your fund target will not count towards meeting the fund conditions unless Your campaign offers Rewards of a corresponding value.

If the campaign fails to reach 100% of the target the pledge will be withdrawn. The Project owner will be encouraged to review what went wrong and, if appropriate, to attempt to crowdfund again.

You must draw down your grant through Crowdfunder within 3 months of the successful completion of your crowdfunding campaign. Any funding not drawn down after 3 months will be deemed unspent and returned to the GLA.

The conditions of this funding are that you are eligible to receive match funding against anything raised after the 12th November 2021 (when the fund was announced). If your campaign began before this date, you have two options:

1. You can continue to fundraise and receive match funding against what is remaining in your target (up to a £10,000 max for businesses in Croydon and Hammersmith & Fulham and £5,000 for businesses in Southwark).
2. You can create a stretch target if you think you can raise more than your remaining target amount. For example, you could increase your target by an additional £10,000, and be eligible to receive £5,000 from the Fund (so you'll only need to raise another £5,000 on top of what you already have).

The minimum amount you can be seeking match funding against is £2,000.

You will be ineligible for funding from the Back to Business Fund if, at GLA's sole discretion, it is not satisfied that all the Supporter pledges on your project are genuine pledges.

Where projects or pledges are identified as fraudulent, potentially fraudulent, or demonstrative of manipulating the pledging on a project in order to obtain match funding, this is taken very seriously. Where appropriate, the police or other relevant authorities will be informed. In addition:

- Your application for funding will be refused and any existing commitment for funding will be withdrawn.
- Your Crowdfunding project may be cancelled and you will be ineligible for future applications or projects.
- Action will be taken to recover funding which has been paid out.

Note – the Back to Business Fund reserves the right to vary these pledge criteria and conditions; businesses will be notified if their pledge criteria will vary from the stated terms above.