

# **Life and Chemical Sciences Manufacturing Strategy for Scotland**



## **INCENTIVES AND SUPPORT FOR SCOTTISH BUSINESSES**

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### **INTRODUCTION**

This is a summary of many of the incentives and support that is available to Scottish businesses either through Scottish (SE/SDI), UK, or European schemes. Details of how to apply for each can be found in the links below. For those who already have a relationship with Scottish Enterprise, Highlands and Islands Enterprise or Business Gateway then please discuss these with your account manager or advisor. For those who don't, then please follow the links to learn more and find the relevant contact information. For companies outside Scotland who are considering locating a site in Scotland these incentives and support would also be applicable once set up. Scottish Enterprise provides strategic support for our most ambitious companies through investment, international trade, business and product innovation and company growth.

#### **General enquiries for companies in Scotland:**

[enquiries@scotent.co.uk](mailto:enquiries@scotent.co.uk)

0300 013 3385 (calls charged at local rates)

#### **General enquiries for international companies interested in locating in Scotland:**

[investment@scotent.co.uk](mailto:investment@scotent.co.uk)

+44 (0)141 247 1385 from mobile phones or if outside Scotland

### **SUPPORT FOR INVESTMENT**

Various grants and funding options are available to businesses of all sizes for research and development, co-investment and technological innovations.

<http://www.scottish-enterprise.com/services/attract-investment>

#### **Regional Selective Assistance (RSA)**

RSA is the main investment grant scheme in areas of Scotland designated for regional aid under European Community law. RSA funding is available to create or safeguard jobs for both Scottish-owned businesses and inward investors, from large corporations to SMEs. In the financial year 2012-2013, RSA awards totalling £43.3 million supported 118 projects across Scotland. The awards have been used to create or safeguard some 4,766 jobs in Scotland thanks to RSA funding.

[www.scottish-enterprise.com/services/attractinvestment/regional-selective-assistance/overview](http://www.scottish-enterprise.com/services/attractinvestment/regional-selective-assistance/overview)

#### **Patent Box**

The Patent Box regime aims to provide tax incentives for innovative companies which retain and commercialise patented products in the UK. This incentive contributes to making the UK a competitive location for manufacturing and R&D. The Patent Box enables companies to apply a lower rate of Corporation Tax to profits earned after 1 April 2013 from its patented inventions. The relief will be phased in from 1 April 2013 and the lower rate of Corporation Tax to be applied will be 10%.

<https://www.mygov.scot/the-patent-box/?via=http://business.scotland.gov.uk/view/funding/the-patent-box>

#### **R&D Tax Credits**

Relief from UK corporation tax for revenue and capital expenditure on research and development together with additional tax credits that can be set against profits or received as a payment if a loss is incurred.

<https://www.mygov.scot/r-and-d-tax-credits-and-allowances/?via=http://business.scotland.gov.uk/view/funding/rd-tax-credits-and-allowances#funding-overview>

#### **Scottish Investment Bank**

The Scottish Investment Bank offers a range of investment products to support growth of the private sector in Scotland across the entire lifecycle of a business.

- **Scottish Co-Investment Fund**

The Scottish Co-investment Fund (SCF) invests alongside accredited investment partners up to a maximum of 50% of the total funding package on a commercial basis from £10,000 up to £1.5 million, as part of a total deal size ranging from £20,000 up to £10 million.

<http://www.scottish-enterprise.com/services/attract-investment/scottish-coinvestment-fund/scif-overview>

- **Scottish Venture Fund**

Invests £500,000 to £2 million, alongside private sector partners, in company finance deals of between £2 million and £10 million.

<http://www.scottish-enterprise.com/services/attract-investment/scottish-venture-fund/svf-overview>

- **Scottish Loan Fund**

Provides loans ranging from £250,000 to £5 million on a commercial basis to businesses with growth potential or engaged in exporting outside Scotland. Criteria apply.

<http://www.scottish-enterprise.com/services/attract-investment/scottish-loan-fund/overview>

**SMART: Scotland**

SMART: SCOTLAND provides grants to Small to Medium Enterprises (SMEs) based in Scotland. The grant helps you undertake technical feasibility studies and research and development (R&D) projects that have a commercial endpoint.

<http://www.scottish-enterprise.com/services/develop-new-products-and-services/smart-scotland/overview>

**R&D Project Grants**

Research and Development (R&D) Grant supports businesses developing new products, processes and services to improve company competitiveness and to benefit the Scottish economy. Whether your project aims to gather the knowledge and skills to develop new products and services, or to introduce a significant improvement to existing ones. Projects typically last 6 to 36 months and the grant can cover up to 50% of the project costs.

<http://www.scottish-enterprise.com/services/develop-new-products-and-services/rd-grant/overview>

**Collaborative R&D**

This grant can be used to support R&D projects which have two or more partners. There is no upper limit on funding and between 25-50% of eligible costs can be supported dependent on the project.

**Seek & Solve**

This grant is used to support a collaborative R&D project between a large company and a SME partner. There is no upper limit on funding. A typical Seek & Solve project will last six to 36 months and our funding can cover up to 45% of your costs. The grant supports new R&D and doesn't cover the routine or periodic changes made to products, processes or services and other operations in progress, even if such changes may represent improvements.

<http://www.scottish-enterprise.com/services/develop-new-products-and-services/seek-and-solve/overview>

**SUPPORT FOR BUSINESS**

Scottish Enterprise provides training and support to high growth companies based in Scotland. SE takes a strategic partnership approach when working with companies to ensure the right support is provided at the right time for the benefit of businesses and Scotland.

<http://www.scottish-enterprise.com/services>

**Scottish Manufacturing Advisory Service (SMAS)**

The Scottish Manufacturing Advisory Service is focused on developing a culture of business excellence in all manufacturing companies in Scotland. Working with thousands of businesses, SMAS plays a vital role in helping manufacturers in Scotland to achieve success in an increasingly competitive global economy. Cost, quality and delivery performance, along with increased capacity and enhanced staff morale are just some of the benefits our clients are now enjoying.

<http://www.scottish-enterprise.com/services/develop-your-organisation/manufacturing-review/overview>

**Skills Support**

Scottish Enterprise provides training and support to high growth companies based in Scotland

<http://www.scottish-enterprise.com/services>

**Talent Scotland**

Talent Scotland is a project aimed at promoting Scotland as a premier destination for jobs in our key sectors including life sciences. The portal advertises the latest available jobs, employers, and information on relocating to Scotland.

[www.talentscotland.com](http://www.talentscotland.com)

### **Sustainability Specialist Support**

Our Sustainability Specialists help companies improve their business practices to increase profits and productivity - and improve their environmental performance. This can include initial project scoping support and help to implement more efficient and sustainable processes. Companies can also benefit from diagnostic meetings to highlight available support for more complex projects. In 2012 our Sustainability Specialists worked with 200 Scottish companies helping them to:

- Save £7.3 million by improving efficiencies.
- Save 50,000 tonnes of CO<sub>2</sub> emissions - the equivalent of taking 9,804 cars off the road.

<http://www.scottish-enterprise.com/services/improve-your-business-practices/sustainability-development-service/overview>

### **Innovation**

The innovation landscape can be seen as complex with many funders. This document provides an overview of funding available to Scottish companies. In general, it is easiest to start with Scottish (SE) then UK (InnovateUK) then EU. Those working in the environment in a day to day basis are the best source of help and some contacts are listed who are willing to provide advice and mentoring.

### **UK**

#### **InnovateUK**

Innovate UK is the UK's innovation agency. The organisation works with people, companies and partner organisations to find and drive the science and technology innovations that will grow the UK economy. With a strong business focus, Innovate UK drives growth by working with companies to de-risk, enable and support innovation.

<https://connect.innovateuk.org/web/biosciencesktn/funding> -

<https://connect.innovateuk.org/web/chemistryinnovationktn/current-funding-calls>

Since 2007 Innovate UK has committed over £1.8 billion to innovation, matched by a similar amount in partner and business funding and has helped more than 7,600 organisations with projects estimated to add more than £11.5 billion to the UK economy and create 55,000 extra new jobs.

#### **Interface**

Leading cross sector interface with Scottish Universities, and funding environment.

<http://www.interface-online.org.uk/how-we-can-help/funding>

#### **Knowledge Transfer Network**

KTN has helped thousands of businesses secure funding to drive innovation. <http://www.ktn-uk.co.uk/>

- Determine which science and technology developments will drive future economic growth.
- Meet UK innovators with great ideas in the life and chemical science fields.
- Fund the strongest opportunities.
- Connect innovators with the right partners they need to succeed.
- Help our innovators launch, build and grow successful businesses.

#### **Centres of Excellence**

Strong knowledge and a key part of their business is working with companies. Centre specific websites should be the first port of call.

- Industrial Biotechnology Innovation Centre (IBioIC) [www.ibioic.com](http://www.ibioic.com)
- Continuous Manufacturing and Crystallisation (CMAC) <https://www.cmac.ac.uk/>
- Scottish Manufacturing Advisory Service (SMAS) <https://www.scottish-enterprise.com/industry-support/manufacturing>
- Edinburgh Complex Fluids (ECF) [www.edinburghcomplexfluids.com/](http://www.edinburghcomplexfluids.com/)

#### **Skills Development Scotland**

The Scottish Government Skills agency providing recruitment and training support

<https://www.skillsdevelopmentscotland.co.uk/what-we-do/our-products/our-skillsforce/>

## **Europe**

The Enterprise Europe Network Scotland helps Scottish businesses make the most of business opportunities in the EU and beyond.

<http://www.enterprise-europe-scotland.com/>

- Do you need hands on support to take your innovation to market?
- Do you need sound business advice on international markets?
- Are you looking for help in finding a commercial partner abroad?

## **Financing**

A good summary is provided by Young Company Finance.  
<http://www.ycfscotland.co.uk/Portals/0/Members/Editor/YCF%20Guide%20to%20Finance%20for%20Young%20Companies.pdf>