Overview

A new programme to help protect jobs at larger hotels – called the Hotel Support Programme – has opened on Wednesday 26 August 2020 to applicants. This consists of £14 million funding from the Scottish Government, plus bespoke packages of wrap-around business support provided by Scotland’s enterprise agencies and their partners.

The programme will be jointly run by Scottish Enterprise (SE), Highlands and Islands Enterprise (HIE), South of Scotland Enterprise (SoSE) and VisitScotland (VS).

All information including full eligibility criteria and details of how to submit an Expression of Interest (EOI) can be found on the cross-agency Find Business Support website at: https://findbusinesssupport.gov.scot/service/funding/hotel-support-programme

FAQs

What is the purpose of the programme and what does it offer?
The core purpose of the Hotel Support Programme is to protect sustainable employment in the medium term within larger hotels. Support on offer includes potential funding of up to £250,000 per hotel property (which can include support for capital investment), as well as bespoke wrap-around support from agencies including SE, HIE, SoSE and VS. The agencies will also work with SDS and local authorities where appropriate.

Is there a cost to apply / an expectation of repayment?
It’s free to apply for this programme. Any funding awarded will be offered as a grant and doesn’t need to be repaid. Any other support included within the bespoke package will be free – however, to achieve the outcomes set out by the programme, companies may be expected to make investments into their hotels.

Other than money, what else is being offered?
Those meeting the criteria can benefit from a holistic business review and bespoke wrap-around support based on their individual needs. The agencies can also work with SDS and local authorities where appropriate to put together an integrated and tailored plan that could help companies build a sustainable future that protects local jobs. If your company is selected to take part in the programme, the agencies can develop a support package in line with your individual needs, which could include:

- A business review and diagnostics
- Support for recruitment, training, developing job specs and upskilling
- Help accessing apprenticeship programmes
- Market and customer research
- Help accessing loans or equity finance if appropriate
- Market, process and product development
- International trade support and access to international networks
How many hotels do you expect to be able to help?
A cohort of 50-60 hotels is anticipated to benefit from funding via the programme, with many others likely to benefit from other types of business support and advice. This could be made up of a mix of consultancy support, business advice and funding (see examples above).

What are the criteria for applying?
This programme is for companies that own or operate Scottish hotels with a rateable value of over £51,000, employing a minimum 50 employees per hotel. If you operate multiple hotels within a tight geographic area that collectively employ over 50 employees who are shared across more than one hotel unit, these hotels may still be eligible. At least one of these hotels needs to have a rateable value over £51,000. To be successful, companies must demonstrate that they will play a vital role in supporting the recovery of Scottish tourism. The full list of criteria will be published on the Find Business Support website at 9am on Wednesday 26 August, when the programme opens for Expressions of Interest.

What about hotels that don’t employ the required number of staff per unit but play an important role in the local economy?
Agencies deliver other kinds of support for critical local companies and would be happy to hear from any company that is seeking to understand what else is available. As well as direct support where appropriate, this would include helping to make sure hotels are referred to the right part of the business support system in Scotland to meet their immediate needs. We’d encourage anyone experiencing difficulty to visit the Find Business Support website for a comprehensive list of what’s currently available, or to contact their local enterprise agency for advice.

Why doesn’t this support cover smaller hotels, B&Bs and other accommodations types?
This is a targeted programme aimed at protecting jobs within those companies that are most vital to the recovery of tourism sector, however there are other support mechanisms available to businesses suffering from the effects of Covid-19. We’d encourage anyone experiencing difficulty to visit the Find Business Support website for a comprehensive list of what’s currently available, or to contact their local enterprise agency for advice.

How does this this programme differ from PERF and CTHHF?
There are two main differences. Firstly, this is a programme – not just a fund. Successful applicants will be offered bespoke packages of wrap-around support from the most appropriate agencies in addition to any potential funding. Secondly, this programme is focused on safeguarding jobs, specifically within larger hotels. To be successful, companies must demonstrate that they will play a vital role in the recovery of Scottish tourism.

What’s the application process?
Companies will submit an initial expression of interest via the Find Business Support website. These will then be assessed by a panel and each applicant be contacted by the relevant enterprise agencies to discuss their support needs. A cohort of companies will be selected to join the programme, and each will work in partnership with key public sector agencies to support the best possible employment outcomes across Scotland.

When does the programme open for expressions of interest, and how long will it remain open?
The programme will open for expressions of interest at 9am on Wednesday 26 August 2020 and will remain open for two weeks, before closing to applicants at 5pm on Wednesday 9 September.
When will applicants hear back and, if successful, when are payments likely to be received?
Each applicant will receive email confirmation immediately after they submit an EOI confirming we’ve received this, then someone from the appropriate agency will be in touch after 9 September 2020 to discuss next steps. Funding and other support will be delivered to successful companies on an ongoing basis from October 2020 until March 2021.

How long will the process take?
We’re accepting expressions of interest until 9 September 2020. Funding and other support will be delivered to successful companies on an ongoing basis from October 2020 until March 2021. The full timeline will be available on the Find Business Support website.

Can a company apply to join this programme if they have already received support via the Pivotal Enterprise Resilience Fund (PERF)?
Yes, provided all other criteria are met and the company has not reached the maximum state aid allowance – however it’s important to note that other funding received will be taken into account when developing packages of support for successful companies. You can find more information about the state aid threshold at https://findbusinesssupport.gov.scot/service/funding/hotel-support-programme.

If a company or group owns several hotels, can it submit multiple expressions of interest (one for each property)?
Where a hotel is part of a group, the expression of interest can cover a number of properties (provided each one meets the eligibility criteria) with up to £250,000 available per property. In these instances, parent companies should carefully consider where across their portfolio jobs are most at risk and where funding or other support might best be able to support local employment. Expressions of interest should be made at a group, company, trust or partnership level, depending on how your organisation is structured. If your hotel or hotels are part of a complicated structure and you’re not sure who should submit your expression of interest, you should get in touch first.

Will companies / groups owned outside the UK be eligible for support?
Yes, provided they meet the other criteria and are applying for support to safeguard jobs at their Scottish properties. In these instances, parent companies should carefully consider where across their portfolio jobs are most at risk and where funding or other support might best be able to support local employment. All funding awarded must be spent within the designated properties in Scotland.

Will companies based in tax havens or which do not pay UK taxes be eligible for support?
No. Companies based in territories that feature in the EU list of tax havens (found here) are not eligible for this support.

Do companies have to pay at least the Real Living Wage to be eligible?
In order to be successful, applicants must demonstrate a strong commitment to developing fair work practices upon joining the programme. When quoting staff numbers in their expressions of interest, companies cannot include contractors or agency staff.

What will be the individual roles of SE, HIE, SoSE and VS in deciding how support is allocated?
Each enterprise agency will take the lead in assessing expressions of interest from its own region, with industry specialist support from VisitScotland. All agencies will work closely to ensure consistent approach is taken across the board and will engage wider partners including Local Authorities and Skills Development Scotland, where appropriate, as part of the decision-making.
What is the definition of a large hotel?
The hotel must have a rateable value over £51,000 and employ at least 50 employees. Employee numbers should be based on your average number of individual employees (not full time equivalent) over your last full financial year, not including contractors or agency staff.

I am a significant employer in a small geographic area, but none of my hotels meets the eligibility criteria on its own – can I apply?
If you operate multiple hotels within a tight geographic area that collectively employ more than 50 employees who are shared across more than one hotel unit, these hotels may still be eligible. At least one of these hotels needs to have a rateable value of more than £51,000 and the collective number of employees needs to be more than 50 (not including contractors or agency staff). If you are in this situation then please submit an expression of interest and we can discuss possible options for support further.