

Regional Growth Fund Case Study



Building New Jobs and Growth.

A Sussex building firm with a long history looks to future growth, with a grant of £100,000 creating 12 new jobs so far.

Cheesmur Building Contractors:

Cheesmur is a building contractor based in Lewes. Founded in 1936 as a family firm, it hit hard times in the financial crisis of 2008 and almost failed. In January 2009 new owners, determined to save the company, took over the business.

They did. All debts were paid in full. Turnover and staff numbers doubled within five years as the business returned to the black. This was achieved despite the worst economic conditions in living memory and many other construction companies going out of business.

Cheesmur today carries out a wide variety of building and maintenance contracts, for a range of public and private clients. It is an approved Tier 3 contractor to the Sussex Cluster Contractors Framework, the mechanism for public bodies to procure building projects. Cheesmur has completed high profile and award winning contracts at Brighton Bandstand, Eastbourne Bandstand, Seaford Head Golf Club, Theatre Royal Brighton and Anne of Cleves house in Lewes; plus large and small contracts for schools, hospitals, housing associations and county councils.

The Challenge:

The Framework has been a key part of Cheesmur's success, as one of only seven Tier 3 Contractors. As more public bodies subscribe, there are considerable opportunities for future growth. In order to take full advantage of these opportunities, Cheesmur needed additional staff, better infrastructure, more office space and vehicles. Until the business was able to secure funding for expansion in these key areas, certain projects had to be declined in order to avoid overtrading.



The Solution:

The Business Growth Grant has enabled Cheesmur to start taking on the work they're capable of. The award, which followed a rigorously tested business plan, gave Cheesmur's bankers the confidence to provide a term loan, which, with the grant, gave the business the funding to execute its expansion plan. The directors now expect turnover to double again within the next five years. That's impressive by any measure, but has only been made possible by the Business Growth Grant.

Mark O'Hara, Finance Director, said: "Cheesmur was having to ask not to be considered for some jobs. We simply did not have the headcount or working capital to take on all of the work, but there are only so many times this can be done before the client loses patience! Our bank had refused to lend, because of a lack of confidence in the construction sector. The Business Growth Grant gave the bank the reassurance they needed and the expansion project will enable Cheesmur to respond to all tender enquiries and continue to increase our share of the Framework business. Having doubled in size in our first five years, we believe that we can double again within the next five years, without losing our distinctive identity and character".



Business Growth Grants are available to any business in the Coast to Capital area who are seeking to grow and create new jobs, but need additional finance. Grants are available from £5,000 to £250,000 and it is expected that the grant will form no more than 25% of the total costs of the growth plans. Further details of how to apply can be found at www.coast2capital.org.uk/helping-business-growth/regional-growth-fund or, alternatively contact Hayley Shepherd, Regional Growth Fund Programme Manager on 01403 333840 or rgf@coast2capital.org.uk