

# Green Recovery & Innovation



## Grant Guidance Notes (October 2022)

The Green Recovery and Innovation Grant Scheme is UK Community Renewal Fund (UKCRF) funded and is being delivered by SEMLEP's Growth Hub. The grant scheme will provide support to enterprises across North and West Northamptonshire that are looking to increase **innovation** levels and/or improve their **green** credentials in line with innovation or decarbonisation plans.

The Grant Scheme is open to SMEs based or trading in the North and West Northamptonshire local authority areas that have registered to take part in SEMLEP's Green Recovery and Innovation Programme.



HM Government



SEMLEP's  
**Growth Hub**  
Connected Business Support



North  
Northamptonshire  
Council



West  
Northamptonshire  
Council

## Green and Innovation Requirements

Grant projects can have **either** a green or an innovative focus, however applications which combine both themes are also welcome.

### Green Projects

This grant funding should aid enterprises in moving towards greener, sustainable practices. It is expected that this would enable de-carbonisation plans as set out by the applicant in their application. This might be contributing towards the business reducing costs and greenhouse gases, working towards net-zero emissions or an alternative project with an environmental or sustainability focus.

### Innovation Projects

This grant funding should help the funded enterprise to become more innovative. This could include product, service or process innovation within the business, to include one or more of the following:

- Introducing a new product to the business or the market
- Introducing a new service to the business or the market
- Introducing a new process to the business

The innovation support can include the introduction of 'new to the market' products in any of its markets. A product is new to the market if there is no other product available on a market that offers the same functionality, or the design or technology that the new product uses is fundamentally different from the design or technology of already existing products. Products can be tangible or intangible (including services).

Alternatively, the grant can support the development of a product / service if it is new to the business; if the enterprise did not produce a product with the same functionality, or the production technology is fundamentally different from the technology of already produced products. Products can be tangible or intangible (including services).

It is expected that the project applied for will enable the innovation as set out by the applicant in their application plan.

### Recovery and Jobs

This grant scheme is designed to aid recovery and growth. As such, there is an expectation that the support will enable enterprises to safeguard and/or create jobs from their Green / Innovation project. In these cases, at least one job should be safeguarded OR a new job created per £5,000 grant consistent with a sustainable business case.

- **A job safeguarded** is a permanent and paid job at risk prior to when support was provided, and which the support will help the business to retain for at least 6 months. This includes sole traders and business owners. This includes both part-time and full-time jobs relative to full-time equivalent (FTE).
- **A new job created** is a new, permanent, paid, full-time equivalent (FTE) job created following support. This also includes both part-time and full-time jobs relative to full-time equivalent (FTE). FTE should be based on the standard full-time hours of the employer. *New* means it should not have existed with that employer before the intervention. *Permanent* means it should have an intended life expectancy of at least 12 months from the point at which it is created.

We will be seeking a self-declaration from employers that the support provided safeguarded an at-risk job for at least 6 months and the skill level of the post. For new jobs, the self-declaration will need to confirm that the job created is new and has resulted in an increase in the total number of people employed by the employer, and the skill level of the job.

## Funding Available

The Green Recovery and Innovation Grant Scheme has a total allocation of **£300,000 only** and there are grants of **up to £10,000** available. The grants may be used for revenue or capital expenditure or a combination.

Maximum grant intervention through the programme is up to **50%** of eligible costs of projects designed to aid recovery, increase innovation and improve the green credentials of businesses. Grants can be from £1,000 up to a maximum of £10,000. To be awarded the maximum of £10,000, total project costs of at least £20,000 must be evidenced and, in the view of the Grant Panel, be proportionate to the size of the business and the impact of the project.

Submission of a completed application does not itself guarantee funding. Please consult the Grants Process below for details on how applications will be considered. Further, whilst we endeavour to help as many enterprises as possible it is the nature of grant schemes that the pot of money available is finite and so **you are strongly encouraged to submit your applications as early as possible**.

## Eligible Businesses

To be eligible for grant funding, applicants must meet the aims of the Grant Scheme and the following essential criteria:

- Be an SME (your company (or group) must employ less than 250 people and your turnover is less than €50m or annual balance sheet less than €43m).
- Be a trading enterprise or engaged in business activity (e.g. actively preparing to open/reopen), (and provide financial history, ideally the most recent filed accounts). Charities and other NFP organisations are also eligible provided they can meet the scheme obligations. Fully constituted businesses in liquidation, dissolved, struck off or subject to a striking-off notice are not eligible.
- Be registered in the UK and have a base in either the West Northamptonshire or North Northamptonshire Local Authority areas (use this online tool to check if you are unsure <https://www.gov.uk/find-local-council>), and be ready to invest or expand in the area.
- Must not be an “undertaking in difficulty”<sup>1</sup>.

## Eligible Expenditure

Up to 50% towards the capital and revenue cost involved in delivering projects linked to the aims of the Green Recovery and Innovation Grant Scheme as detailed above. Examples *may* include but are not restricted to:

- Planning, advice, or specialist consultancy to create or enhance your decarbonisation or innovation plans including work to apply for **recognised** green accreditation or better navigate access to finance/investment readiness
- Support and equipment for heat decarbonisation, energy efficiency or waste management solutions and water management systems. Examples again can include but are not restricted to:
  - Heating upgrades and modernisations including Biomass, Air Source /Ground Source Heat Pumps (but not fossil fuel alternatives)
  - LED lighting, movement sensors etc
  - Solar PV systems (building regs and planning permission may apply)
  - Battery storage systems
  - Building management systems
  - Insulation, replacement windows, doors to improve the energy efficiency of buildings
  - Green roofs and planting schemes

- **Improvement to buildings** - Please note that where the project improves or enhances a building then we will require evidence that this is to a commercial building and not a domestic or private dwelling. This may include submission of a copy of a lease with a minimum of 5 years to run; registration of title and /or a rates bill.
- Other energy efficient plant & machinery. Where equipment consumes energy, it must have a minimum appliance energy rating of A+ (note: IT equipment is not permitted see below).
- Electric commercial vehicles and EV charging points (note: but not fossil fuel or hybrid vehicles)
- Fitting-out costs for electric vehicles and showrooms to increase sales potential and product range or implement energy efficiency or water or waste management measures.
- Redesign of packaging to maximise sustainability
- Equipment to support specific new product/service development and launch expenditure specifically to promote that innovation
- Design of a new website and green website hosting, branding, or marketing consultancy; market research and data management or new software and systems e.g. CRM, paperless office and software development consultancy

**What we cannot fund:** We cannot help with all business costs and here are some examples that cannot be included: (this list is not definitive):

- General business set up costs or core running or staff costs or working capital e.g. to buy stock, pay wages or salaries, reduce debt or support utility bills; or expenditure to comply with statutory regulations.
- Items not directly needed to deliver the proposed projects nor non-business expenditure
- Costs on the project incurred before a grant offer is made or that cannot be evidenced within the advertised grant scheme end-date.
- The direct *like-for-like* replacement of items for an existing purpose e.g. to replace broken, worn out or outdated equipment (i.e. not driven by energy efficiency / carbon reduction considerations), or the routine replacement of items and consumables including laptops and software licences.
- IT equipment including (but not limited to) laptops, computers, monitors, peripherals, servers, phones, tablets, screens, scanners, printers, photocopiers, network devices and physical storage.
- The purchase of land and/or buildings or improvements to domestic or private dwellings
- VAT, even where it is a non-recoverable cost.
- Repeat applications including from linked companies, nor more than one application from a Group of linked businesses

## The Grants Process

1. **Support for Applicants:** The overarching guidelines for the grant scheme including what expenditure is eligible and what we cannot fund are contained in this guidance document, so it is advised that applicants thoroughly read this guidance, the *Application Form* and the *GRIP Gateway Criteria and Assessment* document before making an application.

If you would like support, there is a team of Business Advisers from SEMLEP's Growth Hub who are available to answer any questions you may have and take you through the grant process in more detail. You can request support from a business adviser if you haven't already been allocated a business adviser by contacting the team on [GRIP@semlep.com](mailto:GRIP@semlep.com).

The Business Adviser will ensure that you have this *GRIP Grant Guidance* document, along with the *GRIP Gateway Criteria & Assessment* document, and the latest grant *Application Form* including the *Subsidy Control* section. (We provide live links in any emails promoting the Scheme, so it is important that you use the latest published version for your application (currently October).

Once your grant application is complete, your Business Adviser will pass your completed grant application and documentation to the Growth Hub Grants Team. Or alternatively you can submit your grant application directly via GRIP@semlep.com provided you have checked it against the guidance first.

2. **Documentation required:** You will need the following:

- **Accounts:** the business's most recent filed accounts (or draft accounts if appropriate).
- **Application form:** completed including a completed **Subsidy Control** declaration (section) and a **Self-declaration** (if applying under the Innovation element) to confirm the product, process or service is new to the market/business.
- **Procurement documents** without which grant applications **cannot** be processed:
  - **For any items costing £500 or above (net of vat) - 2 comparative quotes**
  - **For any items /services costing above £25,000 (net of vat) - 3 comparative quotes and a Procurement Brief** (sent to your suppliers to aid comparison on a like-for-like basis giving reassurance of your search for best value and due process).
- **Banking:** Front page of a recent (within 3 months) bank statement for the business's bank account, showing account name, number, and sort code. This must be a business account (we cannot accept personal accounts) and be the account used to make any purchases for your project.

3. **Timeframes:** The current window to submit applications will be open until 23:59 on Monday 31<sup>st</sup> October 2022. Applications will go through to Panel evaluation in the order in which they are deemed complete. Grants will be allocated on a first come first serve basis

4. **Evaluation:** The Growth Hub Grants Team will undertake the Gateway Assessment of your proposal based on the details and the supporting information that you provided. It is essential that your application is complete at that time to proceed. See *GRIP Gateway Criteria & Assessment* for full details.

**Contribution to Scheme Outputs**

For every £5k of grant applied for the applicant must plan to achieve **at least one** of the following:

- Safeguard one FTE job for at least 6 months OR create at least one FTE job for 12 months
- Introduce a new product to the firm OR market
- Make a CO2 equivalent reduction

Applications that pass all the Gateway Criteria will be reviewed by two appraisers for submission to an independent Assessment Panel who will consider each proposal against the aims of the grant scheme and take a final decision. Its recommendations are subject to funding availability.

5. **Offer:** Successful applicants will receive a grant *Offer Letter* via email, this will need to be signed and returned to accept the terms of the grant. Bank details will be confirmed at this stage (and should match those on the bank statement submitted earlier). Only once the *Offer Letter* has been signed may expenditure begin on the proposed project. **Again, it is important to note that costs incurred /committed before the acceptance of the offer cannot be supported.** Once the *Offer*

*Letter* has been signed SEMLEP will pay the agreed grant to the business's confirmed bank account.

6. **Delivery:** The Grant project must be delivered (including all expenditure incurred) **by 30<sup>th</sup> November 2022**. Although grant monies will be paid out on award, evidence of all project expenditure in the form of invoices and redacted bank statements (your business bank account only) must be submitted once the purchase(s) are complete, and by the advertised delivery date. Failure to submit this evidence may result in the grant monies being clawed back.
7. **Job confirmation:** Businesses will be asked to confirm that the agreed jobs have been safeguarded and/or created.

## Next steps

If you have any questions about this grant scheme, the process, or the required documentation please contact the team on [grip@semlep.com](mailto:grip@semlep.com).

To apply for this grant scheme, please submit your application form and supporting evidence to [grip@semlep.com](mailto:grip@semlep.com) by the closing date of **23:59 31<sup>st</sup> October 2022**.

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<sup>1</sup> The definition of an '**Undertaking in difficulty**' includes businesses that:

- have accumulated losses greater than half of their subscribed share capital (for limited liability companies) or capital (for unlimited liability companies)
- have entered into collective insolvency proceedings or fulfilled the criteria to be put into collective insolvency proceedings
- have previously received rescue aid that was yet to be reimbursed or (in the case of a guarantee, terminated)
- have received restructuring aid and were still under a restructuring plan
- have (where the undertaking is not an SME) fallen below the required solvency ratios (see further below) for the previous two years.