

# Green Recovery & Innovation



## Grant Guidance Notes (May 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. This includes helping to deliver decarbonisation and/or innovations plans drawn up as part of the overall Green Recovery and Innovation Programme.

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. Prior to being awarded a grant, businesses must have completed their Specialist Support Session and drawn up a Decarbonisation or Innovation Plan.



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 be linked to the de-carbonisation plan drawn up as part of the GRIP programme. 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).

### 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 expenditure although minor capital equipment is permitted. Minor items are defined as items costing under £5,000 excluding VAT.

Maximum grant intervention through the programme is up to **50%** of eligible costs of projects designed to aid recovery, increase innovation levels 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

Specialist consultancy or projects linked to the aims of the Grant Scheme: Green Recovery and Innovation, as detailed above. Revenue costs specifically linked to your project could include but are not limited to:

- Planning, advice and consultancy for heat decarbonisation, energy efficiency or waste management measures
- Work to apply for **recognised** green accreditation
- Redesign of packaging to maximise sustainability
- Access to finance/investment readiness and planning consultancy
- Design of a new website and green website hosting, branding, or marketing consultancy
- Market research and data management
- New software and systems e.g. CRM, paperless office and software development consultancy
- Minor equipment costing less than £5,000 (ex VAT). Where equipment consumes energy, it must have a minimum appliance energy rating of A+. Note that IT equipment is not permitted.
- Fit-out costs for vehicles and showrooms of less than £5,000 (ex VAT) to increase sales potential and product range or implement energy efficiency or waste management measures.

**We cannot fund the following items** (this list is not definitive):

- Core running or staff costs like wages or salaries or working capital or to reduce debt
- General business set up costs or purchases to meet legal obligations
- Items not directly needed to deliver the proposed projects
- Costs on the project incurred before a grant offer is made.
- Any individual capital item costing over £5,000, or any service over £25,000 (ex VAT).
- The direct like-for-like replacement of items for an existing purpose e.g. to replace broken, worn out or outdated equipment or existing software renewals.
- 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.
- VAT, even where it is a non-recoverable cost.
- Multiple GRIP applications from the same business or from linked companies.

**Grant monies will be paid out on award.** Evidence of all project expenditure being paid from your business bank account **must** be submitted once the purchase(s) are complete (in the form of invoices and redacted bank statements).

## The Grants Process

1. A Business Advisor from SEMLEP's Growth Hub will make contact once you have completed your Decarbonisation / Innovation Plan. They will take the business through a diagnostic exercise to determine eligibility of the business and support you through the grant application process. The Business Adviser will supply this *GRIP Grant Guidance* document, along with the *GRIP Gateway Criteria & Assessment* document, grant *Application Form* including the *Subsidy Control* section.
2. Once complete, your Business Adviser will pass your grant application to the Growth Hub Grants Team:
  - A copy of the company's most recent filed accounts (or more recent draft accounts if appropriate).
  - A completed Subsidy Control declaration (a section on the *Application Form*).
  - (If applying under the Innovation element) a self-declaration from the business to confirm the product, process or service is new to the market/business.
  - 2 comparative quotes in a manner that provides reassurance of best value and due process for each proposed item of expenditure. Grant applications **cannot** be processed without these.
  - 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. The window for submitting completed applications and all documents to your Business Adviser will be driven by the demand, approvals by the Grant Panel and the availability of funding, and this will be kept under review and details published.
4. 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.

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

5. 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. These recommendations are subject to funding availability.
6. 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 in step 2, above). Only once the *Offer Letter* has been signed, may expenditure begin on the proposed project. It is important to note that costs incurred before the acceptance of the offer cannot be supported.
7. Once the *Offer Letter* has been signed SEMLEP will pay the agreed grant to the business's bank account, using the details on the bank statement submitted with the original grant application.
8. **The Grant project must be delivered (including all expenditure incurred) by 31st October 2022.** Evidence of all project expenditure, in the form of **invoices** and **redacted business bank statements**, must be submitted by that date. Failure to submit this evidence may result in the grant monies being clawed back.
9. 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 your Growth Hub Business Advisor.

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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.