Crawley Borough Council

Greentech Business Growth Fund (GBGF)

PROCESS GUIDANCE NOTES

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1. GREENTECH BUSINESS GROWTH FUND – OVERVIEW

Crawley was successful in securing £21.1 million from the Towns Fund, following the submission of a Town Investment Plan in July 2020. Across a suite of projects, the core aims of the Towns Fund for Crawley is to create jobs, support business growth, and boost economic recovery from the Covid-19 pandemic.

This project, the *‘Greentech Business Growth Fund’*, forms one pillar of project ‘1C: Green Technology Infrastructure & Business Grants’. The project aims to respond to the strategic priority need of ‘greening’ Crawley’s economy and the overarching rationale for the grants programme is for funding to support the continued growth of the green technology and green construction sector in Crawley.

A more developed green-tech sector in Crawley would increase the local capacity to support significant reductions in CO2 emissions through business activity which yields more sustainable homes and business premises. The development of Crawley’s nascent green-tech sector would result in an expanded business base, creating new high value green-tech jobs to benefit Crawley residents. Ultimately, this could act as a catalyst, attracting further business investment into the Borough and bolstering the local green technology cluster.

A total of £1 million will be allocated to the Greentech Business Growth Fund grants programme, to which green-tech SMEs can apply. Grant funding is capital rather than revenue and is therefore expected to be utilised by businesses to invest in new business premises, facilities, or equipment in order to extend their commercial footprint, and grow their turnover and job base. This in turn will drive expansion of the Crawley green-tech cluster, generate high-value highly skilled roles for local residents, and increase the capacity of the private sector to deliver services that help decarbonise the Borough’s building stock and reduce overall CO2 emissions.

2. ELIGIBILITY CRITERIA

The Eligibility Criteria for the ‘Green-Tech Business Growth Fund’ (GBGF) are separated into three tiers – ‘Essential Eligibility Criteria’, ‘Key Eligibility Criteria’ and ‘Desirable Eligibility Criteria’.

‘Essential Eligibility Criteria’ are those which applicant businesses *must* satisfy in order to qualify for the GBGF grant scheme. If applicants do not meet the criteria in this tier, or are unable to demonstrate their compliance, they will be considered ineligible and will not be entitled to submit an application.

‘Key Eligibility Criteria’ and ‘Desirable Eligibility Criteria’ are those specifications which applicant business are *expected* to satisfy in developing a GBGF application of a high standard. Applicants that do not meet these criteria will not be prohibited from submitting an application. However, the extent to which applications satisfy the *Key* and *Desirable* criteria will be a core consideration when grant applications are assessed, and outcomes are decided.

The *Essential*, *Key*, and *Desirable* eligibility criteria are as follows

**Essential Eligibility Criteria:**

* Crawley-based and intend to remain in Crawley for at least 5 years 1
* Operate in the ‘green-tech’ sector and be able to demonstrate how the proposed project and grant funding would deliver business growth, in terms of jobs created and increased turnover2
* Businesses are to be SMEs – including micro-enterprises and start-ups 3
* Applications for a ‘*Business Investment Grant*’ (Up to £175k) will be subject to a 50% match-funding requirement 4
* Any grant funding awarded under the GBGF grant scheme cannot result in a breach of the conditions of the UK Subsidy Control Regime on the part of applicant businesses 5

**Key Criteria:**

* A small business with a strong track record of business growth and performance to date
* A clear grant project delivery plan, timeline, and demonstrable evidence of deliverability
* Level of return on the grant investment demonstrable in terms of numbers of jobs created/safeguarded and level of business growth
* Demonstration of technical credibility of green-tech product which requires scaling-up
* Demonstrable evidence of professional expertise within the business
* Demonstrable track record in business innovation and growth / tech development
* For ‘*Business Investment Grants’* and ‘*Business Development Grants’*, a clear business plan which shows how the proposed grant investment is a clear strategic fit with the growth plans of the business and which presents compelling prospects for successful growth thanks to the grant investment
* Location within Crawley for business expansion and use of the grant funding and a commitment to growing the business and jobs within Crawley to benefit local residents
* Demonstrable ability to apply the green-tech products, which are the subject of the grant investment, to end users engaged in the decarbonisation of building stock and infrastructure within Crawley
* In the case of applicants for the ‘Business Investment’ Grant Tier, to relocate to the Crawley Innovation Centre to ‘scale-up’ technology and business activity using the green-tech grant

**Desirable Criteria:**

* Evidence of the extent to which the grant investment will deliver a wider ‘multiplier effect’ in regard to catalysing jobs / business growth more broadly in the green-tech sector in Crawley and the wider Gatwick Diamond sub-region.
* Evidence of genuine partnership and co-operation with other businesses / universities / research organisations.

**Out of Scope:**

For clarity, businesses that meet the following criteria are considered ‘out of scope’ with regards to the GBGF grant scheme, and will not be eligible to submit an application:

* Small and medium-sized businesses and micro-enterprises from sectors other than the ‘green-tech’ sector
* Established ‘large’ businesses in the green-tech sector, or large businesses generally
* Green-tech businesses who are already beneficiaries of public sector financial support and who may have exceeded the thresholds prescribed by the UK Subsidy Control Regime.
* Non-Crawley based businesses, unless adequate evidence is provided that they are re-locating to Crawley
* Businesses without a clear and demonstrable plan for expansion

**Notes:**

1 ‘Crawley-based’ is defined as having either 1) a registered office address or 2) occupancy of an NDR/business rated property – within the boundaries of Crawley Borough.

Details of the LPA boundary can be found on the Open Geography Portal from the ONS (https://geoportal.statistics.gov.uk/)

2 The ‘green-tech’ sector, in line with The Department for Business, Energy & Industrial Strategy’s definition of ‘Low Carbon Environmental Goods and Services’ (LCEGS), is considered to include 24 sub-sectors of activity across the three categories of ‘environmental’, ‘renewable energy’, and ‘low carbon’. A complete list of the sub-sectors is included in Appendix A.

In marginal or complex cases, Crawley Borough Council has final discretion in terms of determining which businesses constitute ‘green-tech sector’ activity for the purposes of the GBGF grant scheme.

3 Please refer to section 6i) ‘SME’ Definitions

4 Please refer to section 6iii) Match-funding Requirement

5 Please refer to section 6iv) Subsidy Control Requirements

3. GRANT TIERS & ELIGIBLE PROJECTS

The Greentech Business Growth Fund (GBGF) grant programme is divided into three tiers. The maximum grant award available under each tier varies and is proportionate to the maturity of the applicant businesses and the stage of development of their products/services and growth trajectory.

**3i) GBGF Grant Tiers**

1. Business Start-up Grants  
   Maximum Grant Award: £10,000
   * For business start-ups in the low carbon / green technology sector – must have been trading for a maximum of 1 year.
   * Small-scale grants available for entrepreneurs ready to launch a business, with evidence of a clear business model.
2. Business Development Grants  
   Maximum Grant Award: £50,000
   * For existing micro-enterprises and SMEs in the low carbon / green technology sector
   * Grants to assist businesses to grow quickly; typically smaller businesses with lesser technology readiness who require investment to innovate and refine their tech prototype
3. Business Investment Grants  
   Maximum Grant Award: £175,000
   * For existing micro-enterprises and SMEs in the low carbon / green technology sector
   * Larger-scale grants to support business growth; typically for technology that is already developed, ready to scale-up with capital inputs

**3ii) Eligible Projects**

Businesses applying for funding under the GBGF grant programme are entitled to include a range of costs as part of their project proposals, providing that these are capital oriented and directly contribute to the overall objective of supporting business growth, in terms of both jobs created and increased turnover.

Listed below are broad categories of expenditures, including examples, that would generally be considered ‘in scope’ and ‘out of scope’ for the purposes of the GBGF grant programme. Please note that these lists are indicative and not exhaustive. Final discretion in determining what qualifies as eligible project expenditure rests with the Council’s technical officers and the GBGF grants panel.

In-Scope:

* Product Development  
  Investment in the design and development of innovative products/services, for example:
  + Specialist research, guidance & consultancy services
  + Specialist training & accreditation
  + Inputs involved in testing and prototyping
  + Inputs involved in preparing for product launch
* Capital Expenditure  
  Investment in acquiring or upgrading company assets, for example:
  + Land & buildings
  + Premises fit-out or refurbishment
  + Plant, machinery & equipment – including digital / software
  + Improvements to systems and processes
* Market Development  
  Investment in better understanding and targeting products towards intended markets, for example:
  + Specialist research, guidance & consultancy services
  + Product branding and marketing design
  + Development of digital marketing assets; website, SEO, campaigns etc.
  + Attendance at industry & networking events; conferences, exhibitions, trade fairs etc.

Out of Scope:

* Revenue Expenditure
* Overhead Expenses  
  The general and ongoing costs involved in operating the business, for example:
  + Premises costs; rent & rates
  + Utilities
  + Employee salaries and/or time
  + Stock
  + Other professional fees
  + Subsistence
  + Maintenance & repairs
* Existing Business Activity  
  Continued funding for business operations and activities already in place at the time any GBGF grant agreement is signed and where no material change is anticipated, for example the continuation of:
  + Current marketing / promotional activity
  + Current specialist research, guidance & consultancy
  + Current specialist training & accreditation
  + Current capital expenditure programmes
* Costs incidental to preparing a GBGF grant submission

Any expenditure committed as part of developing an application to the GBGF grant programme is not eligible for funding post-submission, for example:

* + Consultancy fees
  + Employee salaries and/or time

4. APPLICATION PROCESS

This section presents a summary of the application process for the GBGF grant programme, and identifies the steps prospective applicants must complete in order to make a submission.

**4i) Application Process Summary**

Pre-Application:

1. Applicants can find information for the GBGF grants programme on the Crawley Borough Council website. This includes all relevant documentation, directions to access the application e-form, and contact details
2. Applicants should then contact Crawley Borough Council by sending an expression of interest statement to the following email address: economic.development@crawley.gov.uk. Following receipt of this email, applicants will be contacted by a CBC officer so that eligibility can be established, and next steps determined
3. Once eligibility has been established, applicants will be referred to a member of the CBC business advisor team. Business advisors assigned to applicants will support businesses in developing their GBGF grant application, and advise on the process

Application Development & Submission:

1. Applicants, with the support of the CBC business advisor team, will draft an outline GBGF grant application and prepare for final submission.
2. Once the GBGF grant application has been prepared to a standard approved by CBC business advisors, applicants will be directed to finalise their submission by completing the GBGF grant application ‘e-form’ on the website ‘Grant Approval’
3. Applicants will need to complete the online e-form on Grant Approval and submit all necessary supporting documents, as outlined
4. Once your application has been received by CBC, applicants will receive an email notifying them of the receipt of their submission and an indicative timetable for its assessment.

Post-Application:

* At this stage, CBC technical officers – with input from the CBC business advisor team – will assess and appraise GBGF grant applications. If it is identified that any sections require clarification or that any supporting documentation is missing, applicants will be contacted at this point to supply this.
* Following the initial assessment by CBC technical officers, and receipt of clarification where relevant, applications will undergo a final assessment at a meeting of the GBGF Grants Panel.
* Approval at the GBGF Grants Panel stage is by no means guaranteed, and depends on the extent to which a grant application meets the Fund’s eligibility criteria. The panel will issue one of three decisions:
  1. Application recommended for approval
  2. Application recommended for deferral  
     In this case, applicants will be contacted and asked to provide clarification / additional evidence.   
     The revised submission will then be returned to the panel for a second assessment.
  3. Application recommended for refusal  
     In this case, you will be notified of the outcome and reasons for the refusal

Approved Applications:

1. For those applications which are approved by the GBGF Grants Panel, applicants will be notified of the outcome by e-mail and required to read and sign the following documents:
   1. Grant Funding Agreement
   2. Terms & Conditions
2. Subject to the above documentation having been signed by the applicant businesses and confirmed in writing by Crawley Borough Council, funding defrayment will begin. The structure of funding payments will depend on the GBGF Grant Tier which applicants have applied for, in line with the following:
   1. Business Start-up Grants (≤ £10,000)  
      CBC will provide an immediate advanced grant payment; 50% of the requested grant value.  
      CBC will provide the remaining sum upon completion of the grant funding period (max 1 year)
   2. Business Development Grants (≤ £50,000)  
      CBC will provide an immediate advanced grant payment; 50% of the requested grant value.  
      CBC will provide a further interim grant payment; 25% of the requested grant value.   
      CBC will provide the remaining sum upon completion of the grant funding period (max 2 years)
   3. Business Investment Grants (≤ £175,000)  
      CBC will provide an immediate advanced grant payment; 50% of the requested grant value.   
      CBC will provide a further interim grant payment; 25% of the requested grant value.   
      CBC will provide the remaining sum upon completion of the grant funding period (max 3 years)

All interim and final grant payments will be subject to progress monitoring and approval by Crawley Borough Council. Applicants will be required to demonstrate grant spend to-date, and adherence to the delivery of both their project proposals and the relevant GBGF Terms & Conditions.   
Failure to do so will see interim/final grant payments suspended, and CBC retains the right to initiate claw-back / reclaimant proceedings.

1. Through the duration of the grant funding period, applicants will be required to comply with a monitoring / reporting process. Applicants will be contacted at regular intervals and asked to complete the ‘GBGF Monitoring Form’ and provide supporting evidence as appropriate.   
   The monitoring form will at minimum ask applicants to detail grant spend to-date, jobs created/safeguarded, and progress against their delivery timeline, milestones, and deliverables as outlined in the application form.
   1. All expenditure undertaken as part of the project must be paid for by cheque or bank transfer so that a clear “paper trail” is produced, and eligible grant spend can be demonstrated.
   2. All expenditure undertaken as part of the project must take place after the date that the GBGF Grant Award Agreement is signed. Any expenditure defrayed on a date before the signing of the agreement will not be considered an eligible cost for grant funding.
   3. All expenditure undertaken as part of the project must take place within the grant funding period as outlined by the GBGF Grant Tiers. Any expenditure dated outside of the grant funding period will not be considered an eligible cost for grant funding.
   4. Grant payments will be defrayed directly to the applicant business bank account in accordance with details provided in the application process. Payments will not be made to any third parties.
   5. As part of the monitoring procedure, applicants are required to demonstrate – by use of payroll documents or equivalent HR evidence – the number of FTE jobs created and/or safeguarded as a result of approved projects.
2. On completion of proposed projects, applicants will be invited to complete a final project evaluation and will receive a GBGF Project Closure Notice from CBC. This will confirm in writing the total grant funding awarded to applicants and mark project completion
3. Successful applicants to the GBGF, and the projects they undertake, may be involved in the production of certain promotional materials such as case studies – subject to their approval.

**4ii) Application Process Timetable**

Prospective applicants for the GBGF grants programme will be able to make their submissions during several application windows over the duration of the programme, as outlined below. Applicants may express their interest in applying and begin preparing application documents outside of these windows, but will not be able to make final submissions until application windows are open.

Please note that this timetable is prospective and may be subject to amendment.

Application Process Timetable:

Round 1:

* January 2023 – February 2023  
  Launch of the GBGF grants programme and call for applications  
  Round 1 submission deadline: February 28th 2023
* March 2023 – May 2023  
  Technical assessment and panel review; outcomes decided

Round 2:

* June 2023 – July 2023  
  Call for applications, 2nd round  
  Round 2 submission deadline: July 31st 2023
* September 2023 – October 2023  
  Technical assessment and panel review; outcomes decided

Round 3:

* November 2023 – December 2023  
  Call for applications, 3rd round  
  Round 3 submission deadline: December 31st 2023
* January 2024 – March 2024  
  Technical assessment and panel review; outcomes decided

Round 4:

* July 2024 – October 2024  
  Suggested final round, depending on residual funding at this stage; call for applications  
  Round 4 submission deadline: October 31st 2024
* November 2024 – December 2024  
  Technical assessment and panel review; outcomes decided

Post-Programme:

* June 2023 – March 2026  
  Programme delivery for successful applicants, ongoing after Round 1 awards
* January 2026 – March 2026  
  Final project evaluation

5. APPLICATION FORM GUIDANCE NOTES

This section presents a breakdown of the GBGF application e-form and provides guidance notes on specific questions, advising applicants on the information and evidence that is expected.

|  |  |
| --- | --- |
| Mandatory Questions | |
| **Field** | **Guidance Notes** |
| Please provide a brief history of your business and its growth since it began trading | For example:  Date founded; the extent of growth/development since launch; ownership; location(s); business values/policies; current headcount & financial summary |
| Please provide a summary of the business operations | Brief overview of business activity – what range of goods and/or services are provided; what is the business model; summary of key performance metrics |
| Please provide details of your primary markets and existing customer base | Describe primary markets; b2b / b2c; target sectors; list any key existing customers |
| Please provide an outline of your approach to business marketing and promotion | Describe the current approach marketing / promotion; outline existing campaigns and methods; appraise effectiveness |
| Please outline how the business operations contribute to the low carbon / net-zero imperative | Describe how the product(s) and/or service(s) offered support final customers in reducing their carbon emissions and quantify this impact where possible; how is the product/service innovative and what is the marginal environmental benefit over conventional alternatives |
| Project Summary | What will grant funding be used for and what will it achieve? Describe how grant and/or match-funding will be allocated to eligible capital expenditure, product development, or market development. List the key proposed costs, present a clear overall strategy, and explain why these costs are necessary to achieve the project goals |
| Project Delivery | What market research / business planning has been undertaken? Explain how and why it demonstrates project deliverability (Submit relevant business plan if available) Describe any evidence – either internal or external – used to inform the proposal |
| Target Market | What markets / sectors is the project aimed at? Describe the key customers targeted by the proposal; businesses or individuals? What sectors? What is existing demand for the good/service? |
| Rationale | Why do you need to undertake the project?  Describe the overall motivation for pursuing the project; why undertake it now? Why is grant funding required? |
| Project Timescales | What is the schedule for delivery?  Provide an indicative but clear timetable for delivery of the project; what will be the start/end dates? What key events and milestones / deliverables will mark progress? What are the risks of delay? |
| Management Approach | How will the project be managed?  Describe the systems in place to ensure delivery is successful; what are the skills and experience of the proposed management team? What will be the organisational structure and what oversight will be in place? |
| Risks & Mitigation | Identify known/possible risks to delivery, and outline mitigating actions? Summarise risks and uncertainties associated with the project, such as delays, regulatory issues, internal financial pressures, price changes; and the impact these would have on delivery. Outline how the management team would address such challenges and achieve appropriate levels of risk mitigation |
| Opportunities for Growth | What new markets and opportunities will be facilitated by the project? What impact will these have on your business growth? Describe any strategic benefits resulting from the project - for example diversification or expansion of markets / customer base; enable the business to offer new or improved products/services? |
| Financial Impact | What impact will the project have on the organisations finances?  Describe any forecasted impact on company profit and turnover; significant new contracts; other financial benefits |
| Employment Impact | What impact will the project have on your organisation’s headcount?  Describe how the project would generate new roles – what sector / skill level would these roles be? How many? Full-time / part-time? What would be training / regulatory requirements? |
| Environmental Impact | What direct / indirect impact will the project have on the low-carbon / net-zero imperative? Describe how any business growth or development resulting from the proposal would contribute to the low carbon imperative – link increases in the output and/or quality of products/services to material reductions in carbon emissions more broadly; quantify where possible |
| Wider Benefits | What wider socio-economic benefits will your project bring to the local area?  Describe any wider benefits: will local residents benefit from employment opportunities, and associated training/education?; Will local SMEs be incorporated into the businesses supply chain? How do your hiring and procurement practices consider issues of diversity and social value? |

|  |  |
| --- | --- |
| Document Upload | |
| **Field** | **Guidance Notes** |
| Company Incorporation Certificate | A copy of the Company Incorporation Certificate provided when the business was registered  (or alternative: HMRC self-employment registration for sole traders; Partnership Agreement for a Partnership) |
| Proof of registered office / trading address within Crawley Borough | Documentary evidence to prove occupancy of the business within the boundaries of Crawley Borough  If applicable, must include a business rates account and/or property reference number (i.e. Business Rates / NNDR bill, utility bill, rent statement) |
| Current Business Bank Account Statement | Most recent available and minimum within the previous 3 months (to include bank name, business name & address, account name, account number, sort code) |
| Evidence of existing staff numbers | Evidence to demonstrate the total number of existing staff – be these full-time or part-time (i.e. payroll printout; HR records) |
| Last 2 years full company accounts | Abridged / filleted versions will not be accepted |
| Financial projections for minimum 12 months | To include P&L, cash flow, and balance sheet forecasts |
| Complete ‘Project Finances’ Document ([Access Document Here](https://crawley.gov.uk/sites/default/files/2023-01/Greentech%20Business%20Growth%20Fund%20project%20finances%20and%20procurement%20form.docx)) | A completed and signed version of the ‘Project Finances’ Document, provided on the CBC website *Please refer to the table below for further detail* |
| Complete ‘Subsidy Control’ Document ([Access Document Here](https://crawley.gov.uk/sites/default/files/2023-02/Greentech%20Business%20Growth%20Fund%20subsidy%20control%20form_0.docx)) | A completed and signed version of the ‘Subsidy Control’ Document, provided on the CBC website *Please refer to the table below for further detail* |
| Match-funding (if applicable) | Evidence that demonstrates that the match-funding requirement can be met (i.e. business bank account statements, loan/financing documentation) |

|  |  |
| --- | --- |
| Project Finances & Procurement Document | |
| **Field** | **Guidance Notes** |
| 1a) Overall Project Costs | A) Total Project Value  The overall cost of your proposed project; include all eligible capital expenditure to be undertaken. B) Grant Requested  The total grant value requested as part of your proposal.  This may be maximum equal to A) Total Project Value for applicants to the ‘Start-up Grant’ and ‘Development Grant’ Tiers This may be maximum 50% of A) Total Project Value for applicants to ‘Investment Grant’ Tier  C) Match-funding The total value of funding that can be committed by applicants proportionate to the B) Grant Requested  This is not applicable for applicants to the ‘Start-up Grant’ and ‘Development Grant’ Tiers This must be minimum 50% of A) Total Project Value for applicants to ‘Investment Grant’ Tier; is calculated as A-B.  D) Grant Intervention Rate The proportion of A) Total Project Value to be funded by grant support – as opposed to match-funding; is calculated as B/A\*100 |
| 1b) Project Costs per Item | This table should be populated with *all* proposed eligible expenditure – across the categories of capital expenditure, product development, and market development.  All expenditure items should be listed excluding VAT and applicants should ensure that:  1) The total of all listed expenditure items is equal to A) Total Project Value  2) The preferred suppliers listed should align with those identified in section 5ii) Procurement |
| 2a) Procurement Evidence | *Please refer to section 6ii) Procurement* |
| 3a) Match-Funding Sources | *Please refer to section 6iii) Match-funding* |
| 3b) Match-Funding Evidence | *Please refer to section 6iii) Match-funding* |

|  |  |
| --- | --- |
| Subsidy Control Document | |
| **Field** | **Guidance Notes** |
| 2) Public Sector Funding | *Please refer to section 6iv) Subsidy Control* |

6. TECHNICAL CRITERIA

**6i) ‘SME’ Definitions**

Applicant businesses to the GBGF grants programme must meet the definition of an ‘SME’ in order to be eligible to apply. This also includes micro-enterprises and start-ups.

The definitions and thresholds used to classify SME’s are based on the EU “Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises”, 2003 (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32003H0361>), and are as follows:

For the purposes of the ‘*Business Investment Grants’* and ‘*Business Development Grants’*, businesses must be considered ‘medium-sized’ or smaller. This is further defined as:

* Staff Headcount: 249 employees or fewer
* Turnover: £44,274,500  
  *Or*  
  Balance sheet total: £38,076,070

For the purposes of the ‘*Business Start-up Grants’*, businesses must be considered ‘small-sized’ or smaller. This is further defined as:

* Staff Headcount: 49 employees or fewer
* Turnover: £8,854,900  
  *Or*  
  Balance sheet total: £8,854,900

The monetary thresholds used above to determine the criteria for ‘SME’ businesses are derived from EU standards and are thus converted from €(EUR) to £(GBP). These figures will be updated in line with the current exchange rates on the date that each application round opens, and will considered as fixed from that point for the duration of the application round (see Section 4 (ii)). Current figures are accurate as of January 2023.

Applicants will need to evidence the SME category they fall under, as follows:

* To demonstrate turnover / balance sheets, please provide your most recently submitted full company accounts. Abridged accounts will not be accepted
* To demonstrate company headcount, please provide a payroll printout or alternative HR records that details all full-time and part-time direct employees

**6ii) Procurement**

Applicant businesses, as part of their submission, will be required to demonstrate that for all eligible expenditure an appropriate procurement process has been undertaken. This is to ensure value for money and reduce the likelihood of conflicts of interests.

For all proposed expenditure items, please refer to the information below to determine what is the relevant procurement process. This table relates to goods and service contracts

|  |  |  |
| --- | --- | --- |
| **Total Contract Value (exc. VAT)** | **Procurement Route** | **Evidence Required** |
| ≤ £19,999 | Evidence of value for money  This could be determined, for example, through the receipt of two relevant quotations, or evidence obtained by online research | * Evidence used to establish value for money; quotes, online research data etc. * Written statement justifying selection (max. 200 words) |
| £20,00 - £49,999 | Three written quotations  The quotation process must be transparent and fair; all suppliers invited to submit a quotation must be issued with the same information at the same time, and subject to the same conditions.  A request for quotation should include, where appropriate:   * Background information and instructions to suppliers. * Specification/Requirements – full details of the goods and/or services required * Price schedule enabling bidders to simply submit their pricing information | * Copies of the written quotations received (min. 3) * Written statement justifying selection (max. 300 words) |
| ≥ £50,000 | Open tender by advertisement  Any open tender process should be publicly advertised for a minimum of 28 days; and up to 6 weeks is advised. Documentation should be finalised and available at the time the tender is launched  All ‘invitation to tender’ documentation and requirements should be proportionate to the value of the proposals, but shall include the following:   * Information for Tenderers Concise background information; summary of evaluation criteria / weighting; procurement timetable * Specification Detailing requirements for bidders; the goods/services required * Price Schedule Clearly structured form enabling bidder to submit details of tender pricing * Method Statements Form containing questions in order to evaluate qualitative elements of the tender.  Questions should require bidders to outline how the goods / services will be delivered; their relevant skills and experience   A clear and consistent evaluation process should be utilised to determine the suppliers – e.g. scoring matrix | * Copies of final tender documentation * Copies of evaluation process materials e.g. final scoring matrix * Written statement justifying selection (max. 400 words) |

**6iii) Match-funding Requirement**

Businesses applying for the ‘Business Investment Grant’ Tier (≥ £175,000) must commit to – and be able to demonstrate the financial capacity to achieve – providing a minimum of 50% of the total project value in match-funding.

The minimum match-funding requirement is calculated by taking the figure given for Total Project Value (A) in section *1a* of the GBGF Project Finances & Procurement Document, and dividing this value by 2. For example, if an applicant business for the ‘Business Investment Grants’ scheme is proposing a project with a total value of £125,000, then the table in section *1a* of the GBGF Project Finances & Procurement Document would appear as follows:

Overall Project Costs:

|  |  |
| --- | --- |
| A) Total Project Value | £125,000 |
| B) Grant Requested | £62,500 |
| C) Match-Funding (= A-B) | £62,500 |
| D) Grant Intervention Rate (= B/A\*100) | 50% |

Match-funding cannot be sourced from other public funds or Hire-Purchase / similar arrangements as this does not provide full evidence of expenditure. Loans, overdrafts, savings, and company funds are considered to be eligible match-funding sources. All eligible sources of funding must be secured and in place prior to the approval of GBGF grant.

In line with the above, eligible pieces of evidence could include business bank account statements, overdraft agreements, loan agreements, or details of other funding such as equity or non-bank finance. When submitting evidence, applicants must ensure that the total value presented in the evidence is equal to the minimum match-funding value (i.e. value (C) in section *1a* of the Project Finances & Procurement Document)

**6iv) Subsidy Control Requirements**

The opinion of Crawley Borough Council is that grant payments awarded under the GBGF grants programme would likely constitute a subsidy, and that therefore the Minimum Financial Assistance (MFA) exemption represents a viable solution.

MFA allows public authorities to award low value subsidies without needing to comply with the majority of the subsidy control requirements. MFA has a financial threshold so no recipient can receive more than £315,000 over the applicable period. The applicable period is: 1) the elapsed part of the current financial year (i.e. from 1st April), and 2) the two financial years immediately preceding the current financial year.

As part of completing the GBGF Application e-form, applicants must provide details of any state aid / public funding that they have received in the applicable period – the current and two previous financial years. This should include the value of the aid received, the date it was granted, and the public body that defrayed the funding. You should also include a summary of why the aid was received and the effect funding had on business operations.

In line with the procedural requirements of providing MFA, Crawley Borough Council will require written confirmation from applicant businesses that the MFA threshold (£315,000) will not be exceeded by the recipient of assistance. Any grant awards made under the GBGF grant scheme will be accompanied with an ‘MFA confirmation’ written statement.

**Appendix A:**

Definition of the ‘Low Carbon Environmental Goods & Services’ sector, as taken from the report ‘Low Carbon Environmental Goods and Services’, BIS (now Department for Business & Trade), 2013.

Environmental:

* Air Pollution
* Contaminated Land
* Environmental Consultancy
* Environmental Monitoring
* Marine Pollution Control
* Noise & Vibration Control
* Recovery & Recycling
* Waste Management
* Water Supply & Wastewater

Renewable Energy:

* Biomass
* Geothermal
* Hydro
* Photovoltaic
* Wave & Tidal
* Wind
* Renewable Consulting

Low Carbon:

* Additional Energy Sources
* Alternative Fuel / Vehicle
* Alternative Fuel
* Building Technologies
* Energy Management
* Carbon Capture & Storage
* Carbon Finance
* Nuclear Power