



1. Guidance

- 1.1. This guidance sets out the criteria West Lindsey District Council (WLDC) will apply to applications for the award of the UKSPF Business Sustainability Grant ('Green Growth') to businesses within its administrative area.
- 1.2. Information about this fund will be published on the WLDC website at : www.west-lindsey.gov.uk/communities-safety/grants-funding/uk-shared-prosperity-fund
- 1.3. Any enquiries about the guidance should be directed to: growth@west-lindsey.gov.uk

2. Introduction

- 2.1. WLDC has been allocated £3.495m of UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF) of which £1.238m is being used for the Supporting Local Business investment priority.
- 2.2. The West Lindsey Business Grant Programme comprises of three main schemes and includes grant provision in green growth (under UKSPF) and non-agricultural farm diversification and agri-tech business development grants (under REPF).
- 2.3. WLDC has provided 'Feasibility' match funding of £150,000 to compliment the REPF allocation. The feasibility element is a revenue only grant fund
- 2.4. A total budget of £500K has been allocated to the Business Sustainability Grant which is split between capital grants (£325K) and revenues grants (£175K).
- 2.5. This guidance provides details of the Business Sustainability Grant ('Green Growth') only.
- 2.6. The Business Sustainability Grant covers both capital and revenue costs.
- 2.7. Applications for Business Sustainability Grants are proposal based and will be assessed on their individual merits – there are a number of non-fundable costs, and these are identified in Appendix 3.
- 2.8. WLDC has developed the policy for expenditure of UKSPF funding in line with guidance from the Department for Levelling Up, Housing and Communities (DLUHC), local emerging economic priorities and business support needs.
- 2.9. The transition to a low carbon economy and green growth are both reflected as key local priorities in the current West Lindsey Economic Recovery Plan and Sustainability, Climate Change and Environment Strategy.
- 2.10. These funding priorities were identified following a period of stakeholder consultation. The strategic case for UKSPF investment was confirmed following a 'Green-Book' compliant options appraisal, theory of change exercise and business case development.

- 2.11. The criteria and application process for this funding is based around Government Guidance: <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>, and has been developed in consultation with partner Local Authorities across Greater Lincolnshire.

3. Process

- 3.1. West Lindsey District Council is identified as the 'accountable body' for the distribution of UKSPF funding and has recruited NBV (the 'intermediary') to administer the fund to beneficiaries in West Lindsey.
- 3.2. Applicants will apply for this grant via on-line application at the site identified by the intermediary (please note: in certain circumstances PDF application forms will be made available to customers).
- 3.3. The grant application window will be open to eligible businesses between May 2023 and December 2024 (or until such time that all funds are allocated).
- 3.4. WLDC will announce, via corporate and social media communications, when the UKSPF grants are made available for business applications and when the allocation of funds is fully committed.
- 3.5. The application process includes two stages: (1) Expression of Interest (EOI); and; (2) Full Application. On completion of a successful EOI, applicants will be invited to submit a full application by the intermediary which will capture standard applicant information, project details, quotes, declarations and the provision of a current business bank account statement (or the primary private bank account used for the business).
- 3.6. The full application will require a summary of the applicant's business proposal/business plan – this will include information relating to: (1) an outline of your project (what do you want to achieve); (2) project opportunities, objectives and process (how will you achieve it, start/finish dates etc.); (3) project financials (including why other funding routes have been considered and discounted); and; (4) generation of UKSPF outputs/outcomes (see Appendix 2).
- 3.7. Grants are subject to UK Subsidy Allowance rules and all applicants will also be required to complete a Minimum Financial Assistance (MFA) declaration as part of their application.
- 3.8. Prior to applying for funding, businesses will need to seek Specialist Expert support and guidance via the Lincolnshire Growth Hub at Business Lincolnshire to help them develop their sustainability project plan (or via other suitable organisations e.g. an environmental consultant).

- 3.9. As part of the full application process, applicants will be required to submit an Environmental Statement duly supported by an accredited Environmental Consultant or Expert in the Sustainability field that justifies the rationale for funding in the identified intervention.
- 3.10. Also, as part of the above, applicants will be required to complete an assessment of their current business carbon footprint via the use of the SME Climate Hub Business Carbon Calculator: <https://smeclimatehub.org/start-measuring/> (Please note that in order to complete the carbon footprint calculator you will need your business financial/accounting information at hand including latest energy/utilities' bills; please provide data based on last financial year; if your sector is not listed, please select the closest alternative).
- 3.11. It will be the responsibility of the Applicant to ensure that they are able to evidence the improvement/reduction in energy consumption to WLDC/Intermediary as part of their project proposal and funding application.
- 3.12. Businesses may be able to use advice previously received by a specialist relating to any of the eligible areas of expenditure provided that this advisory support has been received within six months of making an application.
- 3.13. Businesses may be able to access independent specialist expert advice via the Revenue Grant element of this Scheme in order to understand in more detail their own energy costs and subsequently inform the capital investment required to support any energy efficiency led improvements.
- 3.14. Match funding will have to be secured and in place at the time of application and clearly identify whether this comes from the business' own capital or other sources.
- 3.15. Applicants that have provided the intermediary with a completed full application/self-declaration, and those details have been verified to the Council's satisfaction will be provided with a grant offer which the applicant will need to sign and return to the intermediary to access the grant funding.
- 3.16. No prior commitment to suppliers should be undertaken prior to grant award being confirmed. Any costs that have been committed to prior to the grant approval date will not be eligible for grant support.
- 3.17. Full details of the amount of the grant award will be outlined in the grant offer letter. Please note that whilst the grant amount can decrease due to lower costs, it cannot be increased once confirmed, despite what the final cost amounts may be.
- 3.18. Applicant's preferred supplier(s) must be the one(s) that are used as the grant will be awarded on the basis of these suppliers. Any request to change suppliers once the grant has been awarded will need to be submitted to NBV in writing and be accompanied by the replacement quotation obtained from the new supplier. The request to change the supplier must be approved by NBV, in writing, prior to a new supplier being appointed.
- 3.19. Applicants will have three (3) months from the date that the grant is awarded to complete their purchases, following which they will be required to complete and return a claim form to confirm the items that they have purchased and the costs which have been incurred. The claim form must be accompanied by copies of supplier(s) receipts, and bank statement(s) to evidence that the applicant has paid the supplier(s) in full.
- 3.20. Should the costs of the items purchased be of a lesser value to the value of grant funding awarded, the claim will be adjusted accordingly. Grants will only be paid against eligible expenditure that has been defrayed and can be evidenced via applicant bank statement.
- 3.21. The evidence of payment must be in the form of a copy of applicant business bank statement which shows payment to the supplier(s) after the date of the grant award. Please note that cash payments made to suppliers are not eligible for grant funding.
- 3.22. Grant payments will only be paid following verification, by the intermediary, of defrayed eligible expenditure and all other requirements met including any outcome evidence. The applicant will be required to submit an invoice to the intermediary for the grant amount.
- 3.23. UKSPF grant payments will be made by the intermediary, by BACS within a maximum of four weeks (20 working days) following confirmation of defrayal of approved expenditure – the intermediary and/or WLDC reserves the right to extend this payment window.

- 3.24. Should an applicant be deemed ineligible by not meeting the requirements of the policy (see section 7), they will be notified by email by the intermediary – WLDC's decision is final and there is no right to appeal.
- 3.25. The Business Sustainability Grant Scheme (Capital strand) is initially limited to one grant award per eligible business.
- 3.26. The Business Sustainability Grant Scheme (Revenue strand) is initially limited to one grant award per eligible business.
- 3.27. Applicants will be able to apply for either or both strands of this Scheme (capital and revenue) provided both elements, if combined together, do not exceed max grant contribution of £30k.
- 3.28. The Business Sustainability Grant Scheme is a grant, not a loan and will not need to be repaid by beneficiaries (other than in circumstances where it is materially clear, following assurance activity, that an applicant has provided information which is false and non-compliant with scheme eligibility guidance).
- 3.29. WLDC reserves the right to vary the terms of the scheme at any time should it become necessary to do so.
- 3.30. WLDC (via the intermediary) reserve the right to remove an applicant from the grant application process (or a beneficiary offer) should any of the deadlines identified by the intermediary not be met (e.g., completion of application form, completion of project and claim etc.) without acceptable applicant/beneficiary justification.
- 3.31. If an application is not complete and is awaiting further information, the scheme may become fully committed whilst this takes place. Therefore, it is imperative that all information is provided at point of submission as no grant funds will be ring-fenced to be accessed at a later stage.
- 3.32. Once the application window is closed and/or allocation of funds is fully committed to qualifying businesses, it will not be possible to make any further grants and the scheme will be closed.
- 3.33. A full 'customer journey' has been identified in Appendix 1.

4. Monitoring

- 4.1. Beneficiaries will be contacted following grant award to quantify: (1) the progress and impact of your project; and (2) the progress against the outputs and outcomes identified within your application (see Appendix 2).
- 4.2. You will be required to submit evidence of output/outcome generation, photographs and a case study as proof your project has taken place as described.

5. Eligibility

- 5.1. The Business Sustainability Grant Scheme is specifically intended for businesses seeking to implement greener solutions aimed at reducing their carbon footprint and improving their energy efficiencies. This grant scheme is designed to allow businesses to invest in the short term for their longer-term sustainability and support WLDC to achieve a Net Zero economy by 2050. Key priorities for this scheme are (1) clean and green productivity; (2) sustainable rural growth and (3) the transition to a circular economy.
- 5.2. All businesses must meet all of the following qualifying criteria to be eligible to make an application and receive grant funding:
 - be categorised as an SME as per the Government's definition: The UK government definition of SMEs encompasses micro (less than 10 employees and an annual turnover/balance sheet total under £1.7m or balance sheet), small (less than 50 employees and an annual turnover/balance sheet under £8.6m) and medium-sized (less than 250 employees and an annual turnover under £43.5m or balance sheet total under £37m) businesses.
 - be fully operational (trading) at the time of application for at least 12 months (and can provide evidence of trading) - we will consider applications from Agri-Tech businesses that have been trading for less than 12 months on a case-by-case basis;
 - have a UK based bank account that is in the name (or trading name) of the business applying for the funding;

- not have started the proposed project activity (if work on a project has started, then it is ineligible for financial support. An application for investment must be submitted and an offer made before work on the project is started. "Start of work" means either the start of construction work or the first legally binding commitment to order equipment, excluding preliminary feasibility studies, whichever is earlier);
- Improvements cannot be made to residential properties, even those with businesses registered at the address. Only properties which sit on the Business Rates register are eligible for funding. For clarity businesses need to be on the rating system at the time of the application. WLDC's Business Rates Department will undertake a verification check;
- Businesses must be the commercial premises owner or provide written permission from their landlord to confirm the business has explicit permission either as the building owner or tenant to make changes to the premises including planning permissions where this is necessary from West Lindsey Planning Authority to implement the works detailed in this application if applicable; and;
- In addition, where planning consents are a requisite element of the project proposal, these must be in place (approved) before an application is made.

5.3. As per 3.6, to be eligible for a grant, all applicant businesses must demonstrate that they meet the UK Subsidy Allowance rules by completing the MFA declaration – grants can only be awarded to compliant businesses.

5.4. It is a requirement of UK Subsidy Allowance rules that a grant may only be awarded when it produces an incentive effect. The grant is considered to have an **incentive effect** if it enables the beneficiary to carry out activities or projects which would not have been carried out in the absence of the grant aid. Grant funding may only be awarded if it has an incentive effect. It shall be considered to have an incentive effect if, before work on the project has begun, the intermediary has verified that documentation prepared by the applicant establishes one or more of the following criteria:

- 5.4.1. A material increase in the size of the project due to the aid.
- 5.4.2. A material increase in the scope of the project due to the aid.
- 5.4.3. A material increase in the total amount spent by the beneficiary on the project due to the aid.
- 5.4.4. A material increase in the speed of completion of the project concerned; or;
- 5.4.5. That the project would not have been carried out in West Lindsey in the absence of the aid.

5.5. The applicant must also be able to demonstrate **additionality** convincingly, confirming that without grant assistance the project would not be undertaken or, with reference to the scale, timing, or location - any payment to an applicant will impact the applicant's project such that one or more of the following will apply:

- 5.5.1. A material increase in the size of the project/activity due to the provision of State Funds;
- 5.5.2. A material increase in the scope of the project/activity due to the provision of State Funds;
- 5.5.3. A material increase in the total amount spent by the beneficiary on the project/activity due to the provision of State Funds; or;
- 5.5.4. A material increase in the speed of completion of the project/activity concerned;
- 5.5.5. With regards to regional aid, that the project would not have been carried out as such in the location concerned in the absence of the State Funds.

6. Eligible Activities (this list is not exhaustive)

6.1 Improvements to commercial properties and purchase of equipment such as:

- Upgrading of energy efficient heating systems and controls, ventilation and air conditioning;
- Low energy lighting replacements (LEDs) and controls;
- Renewable energy systems – e.g., biomass, solar panels;
- Innovative low carbon measures, such as heat recovery systems;
- Improving insulation, draught-proofing, or installing new doors, or double/secondary glazing; or;
- Replacement of energy efficient machinery and business equipment.

6.2 Supporting initiatives linked to active travel:

- Provision of shower facilities or active travel infrastructure such as cycle racks; or;
- Installing EV infrastructure on premises.
Please note that purchase of transport equipment (movable assets), and electric vehicles (i.e., vans, cars, scooters or E-bikes) will not be supported.

6.3 Waste Minimisation, Recovery and Reprocessing:

- Projects that will result in a reduction in waste production;
- The installation of equipment to assist with recovery and reprocessing of waste streams; or;
- Projects that close the loop on resources that would otherwise be wasted (circular economy).

6.4 Business Consultancy Services

- Development of Environmental Management Systems; or;
- Access to Specialist Expert Support including environmental audits, feasibility studies, energy advice etc.

Examples of what the Grant cannot support below:

- Energy costs;
- Purchase of "standard" office information technology equipment such as laptops, or PC's unless this has been highlighted by the Expert Advisor as an identified measure that would help substantially reduce the business carbon footprint;
- Ongoing normal business costs (i.e., business rates, overheads, basic equipment and tools required to undertake the economic activity, etc.);
- Costs associated with a statutory requirement for the business; or;
- Any costs that have already been incurred prior to receiving the Grant approval.

7. Ineligibility

Only business identified in Section 5 of this guidance are eligible to apply for UKSPF grant funding. Grant applications from other business typologies as listed below will be deemed ineligible:

- Businesses using cash-based accounting;
- Charities (unless applying through a trading arm that would fit the SME Government's definition);
- Community groups, sports clubs, village halls and similar entities;
- Home-based businesses; or;
- Businesses in the agriculture, horticulture, aquaculture and fisheries sectors are not eligible under this Scheme unless the proposed project is separate from those primary sector operations and associated to a non-agricultural diversification business and activity.

In addition:

- 7.1. Business identified in section 5 which are not compliant with 3.6 (UK Subsidy Allowance) will not be awarded a grant, even if their project proposal is eligible.
- 7.2. Businesses identified in section 5 but who are in administration, insolvent or where a striking-off notice has been made are ineligible for this grant (historically known as an 'undertaking in difficulty').
- 7.3. WLDC reserve the right to reject businesses that have not completed the grant application form(s) correctly.

8. Grant funding levels

- 8.1. Grants will be paid at the following rates, subject to offer letter:
- 8.2. The minimum grant application value is £1000. The maximum grant level is £30,000.
- 8.3. If the two elements of the grant Scheme are combined (capital and revenue) the maximum grant level per business will be £30,000
- 8.4. Applicant businesses will be required to provide match-funding at the following rates: (1) Business Sustainability Grant Scheme (Capital Strand) – 10% of project costs; and; (2) Business Sustainability Grant Scheme (Revenue Strand) – 10% of project costs.

9. Procurement

- 9.1. To ensure that all grant funding offers good value for money (VfM), the applicant will be required to provide a minimum of one (1) quote for items below £5,000 in value and three (3) quotes for items valued at £5,000 or above.
- 9.2. If the required number of quotes cannot be identified, the applicant should provide sound justification to explain why this has not been possible. Grants will only be approved for items with less than the required number of quotes in exceptional circumstances.
- 9.3. Wherever possible, quotes should be sought from Lincolnshire based suppliers in the first instance.
- 9.4. Applicants are expected to progress the 'best value quote' which ensures deriving the best value on the market and applicants are expected to use the cheapest supplier for each project item.
- 9.5. Where a more expensive supplier has been selected, the applicant should provide a sound justification to explain this decision.
- 9.6. With regards to 9.5, WLDC reserve the right to only pay grant to level of lowest priced supplier should sufficient justification not be provided.
- 9.7. A quote may be a: (1) written quote from a supplier; (2) a screen grab from a website; or; (3) an image from a catalogue. Quotes must be provided electronically to accompany the grant application.
- 9.8. Applications will not be processed, or grant offers made without the necessary number of quotes (or approved justification) for each item.
- 9.9. All quotes must: (1) come from different, independent suppliers who are not linked to each other, or to the applicant business through shared ownership or control; and; (2) be sourced independently by the applicant or any Agents acting on the applicant's behalf. A supplier cannot source quotes from other suppliers on the applicant's behalf.
- 9.10. The minimum value for any single item of expenditure is £250.
- 9.11. There should be no more than five (5) lines of expenditure identified.
- 9.12. Each quote should include the following details:
 - A detailed and itemised breakdown of costs;
 - The supplier's business name, address (including post code) and telephone number;
 - The supplier's company number, VAT number (if applicable), and website;
 - All quotes should be 'like for like'. This means that they are comparable with each other in terms of quality, size, quantity, units, and specification for each item. Wherever possible, the items should be for the same specification, or make and model;
 - Have been obtained within the last 3 months and still be valid; and;
 - Be addressed to the applicant business (containing the business name, business or project address, if different, and post code).
- 9.13. Applicants should ensure that there is no conflict of interest when selecting potential suppliers of goods and services. Conflict of interest refers to situations in which personal interest (which may include financial interests) may compromise, or have the appearance of, or potential for, compromising the selection of a supplier.
- 9.14. Applicants should not undertake to make any prior commitments to suppliers prior to funding being awarded and confirmed. Any costs that have been committed to prior to the date of grant approval and award will not be eligible for grant support.
- 9.15. Applicants must only identify their preferred supplier which should be the supplier the applicant intends to use. Should a grant award be made, no changes may be made to the preferred suppliers unless agreed in writing first.

10. UKSPF Sustainable Business Grant and taxation

- 10.1. Grant income received by a business is taxable therefore funding paid under these grant schemes will be subject to tax where applicable to the business.
- 10.2. If the applicant business is not registered for VAT, the VAT element of item(s) can be included in the grant award. Applicants should refer to the application form guidance notes for confirmation of how to calculate the Net and VAT costs for any quotations received.

11. Fraud

- 11.1. WLDC will not accept deliberate manipulation and fraud – any business caught falsifying their records to gain grant payments may face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.
- 11.2. Applicant businesses will be expected to complete a declaration that confirms the applicant has:
 - 11.2.1. read and understood all documents about this scheme, including all information about eligibility;
 - 11.2.2. provided true, accurate and complete information to support the application;
 - 11.2.3. understood that, by giving wrong or incomplete information, which is known to be misleading, the applicant may be committing a criminal offence and could face prosecution;
 - 11.2.4. understood that the intermediary will investigate all applications where they suspect fraud;
 - 11.2.5. understood that the intermediary will check all the information the applicant provides and may ask for further details if necessary; and;
 - 11.2.6. agreed to repay any money that they receive to which they are not entitled.
- 11.3. WLDC/the intermediary may utilise due-diligence tools such as the Government's Grant Management and Counter Fraud digital assurance tool, Spotlight to check pre-payment and post-payment compliance.
- 11.4. Businesses **must** inform the intermediary of any changes in circumstances that might affect eligibility for grant payment(s). Failure to do this could lead to grant claw back.

12. Fixed and Major Assets

- 12.1. Where the proposal involves the purchase of major or fixed assets, the beneficiary must establish and maintain an inventory of all of the grant funded Assets ('Inventory of the Fixed Assets and Major Assets'). For each of the assets, the inventory must show the following particulars:
 - 12.1.1. date of acquisition;
 - 12.1.2. description of each Asset;
 - 12.1.3. price paid net of recoverable VAT;
 - 12.1.4. location of the Asset;
 - 12.1.5. serial or identification numbers;
 - 12.1.6. location of the title deeds (where relevant);
 - 12.1.7. date and proceeds (net of VAT) of any Disposal; and;
 - 12.1.8. the name and address of any person to whom a Disposal is made.
- 12.2. This can be a Project Specific Asset Register or identified on the company's Corporate Asset Register. "Major Asset" means an Asset which is not a Fixed Asset but has a value as at the date of the Funding Agreement (or date of acquisition if the acquisition is funded by the Grant) of at least £2,000.00 (or £1,000 for IT equipment). "Fixed Asset" means any asset that consists of land and/or buildings, plant, machinery or other thing that is, or is to be, fixed to any land and which is to be acquired, developed, enhanced, constructed and/or installed as part of the Project.
- 12.3. Additionally, the grant beneficiary must not dispose of any interest in any Asset without the prior written consent of WLDC for a period of three years from grant award. If WLDC agrees consent to the Disposal, such consent may be subject to satisfaction of certain preconditions. All Disposals must be for a consideration which is the best that can reasonably be obtained in the open market, on an arms-length basis, on normal market terms, at the time of such Disposal. Where the grant beneficiary disposes of any interest in any Asset without the prior written consent of WLDC, then the proceeds of the Disposal (limited to the total amount paid by WLDC to the grant beneficiary under their Funding Agreement) shall be immediately payable to WLDC and may be recovered as a contractual debt if not paid within 20 working days of the date on which the proceeds of the Disposal are received.

13. Data Privacy

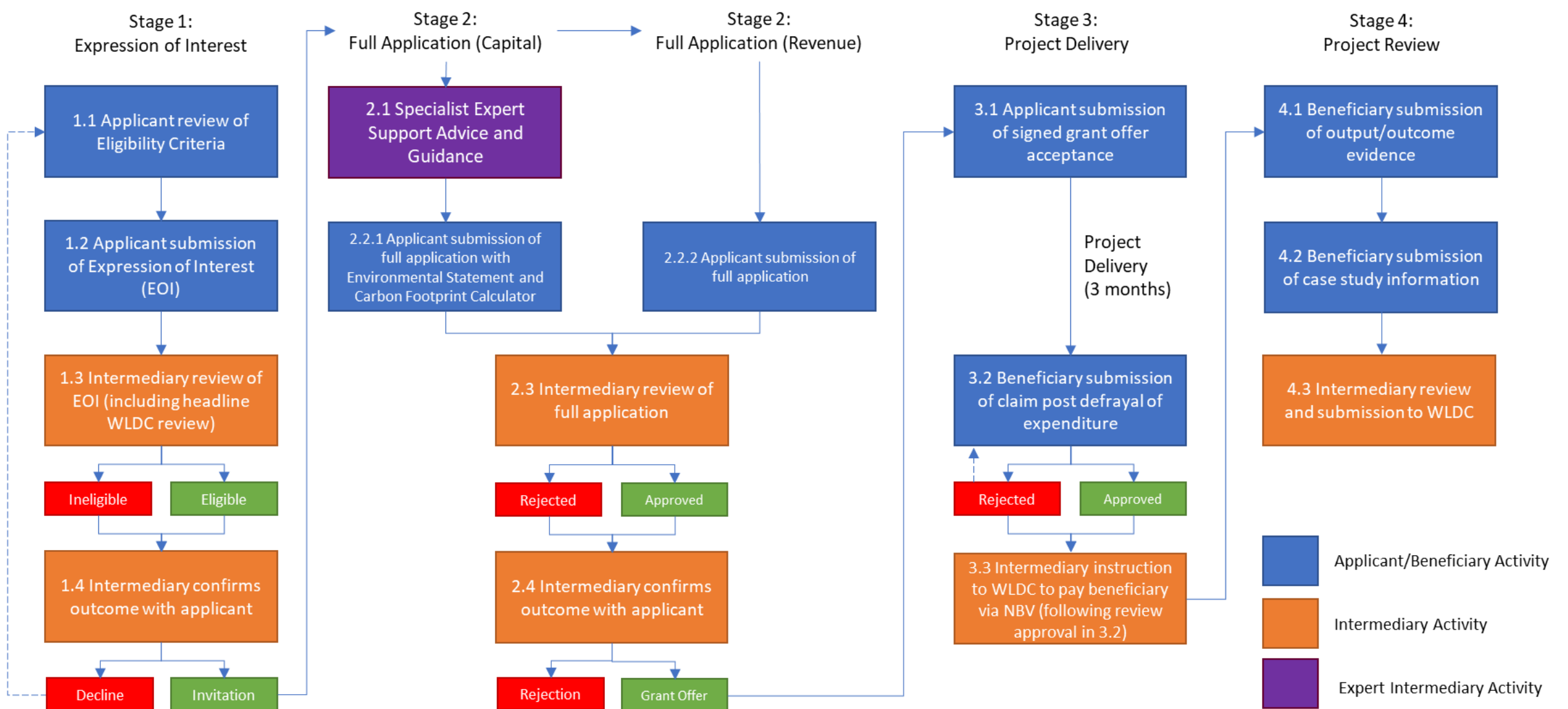
- 13.1. These schemes are funded by the UK Shared Prosperity Fund (and WLDC), which is provided to Local Authorities to support businesses as part of the Levelling Up agenda. The terms of the grant require WLDC/intermediary to collect and process a range of personal data about the project's beneficiaries.
- 13.2. Further details about this data processing and applicant rights will be set out in the Privacy Notice appended to the grant application form.

14. Publicity

- 14.1. Branding and publicity play a key role in ensuring effective promotion and acknowledgement of the wider Levelling Up agenda and as part of that the UK Shared Prosperity Fund.
- 14.2. We recommend that all grant beneficiaries conform to UKSPF branding and publicity point 6.7 and 6.11 of the following guidance: www.gov.uk/guidance/uk-shared-prosperity-fund-branding-and-publicity-6
- 14.3. Point 6.7 identifies that digital channels can provide a quick way to reach audiences and promote Fund activities. Where details of Fund activities are published on a website, a clear and prominent reference to the funding from the UKSPF is to be included as follows: 'This project is [funded/part-funded] by the UK government through the UK Shared Prosperity Fund.'

- 14.4. Point 6.11 identifies that press releases must include a clear and prominent reference to the UKSPF, in the main body of the press release as follows: '[This project/Name of project] has received £ [INSERT AMOUNT] from the UK Government through the UK Shared Prosperity Fund'.
- 14.5. When requested by WLDC, the grant recipients shall install and maintain at any location where the proposed project is based or operates such explanatory plaques, billboards or other promotional material indicating the involvement of the UKSPF Business Sustainability Grant.
- 14.6. No party shall make or permit any of its employees, agents or advisors to make any press or any public announcement or divulge or communicate to any person, any of the terms of their Funding Agreement without the approval of WLDC.
- 14.7. The Grant Recipient agrees to WLDC and Government departments publishing information including the Grant Recipient's name, address and amounts of grant funding in their respective official publications and websites.

Appendix 1: Customer Journey



Appendix 2: UKSPF Outputs and Outcomes

Output	Outcome
Number of businesses receiving nonfinancial support (numerical value)	Jobs created (numerical value)
Number of businesses receiving grants (numerical value)	Jobs safeguarded (numerical value)
Number of potential entrepreneurs provided assistance to be business ready (numerical value)	Number of new businesses created (numerical value)
Number of businesses receiving nonfinancial support (numerical value)	Number of businesses introducing new products to the firm (numerical value)
	Number of businesses adopting new to the firm technologies or processes (numerical value)
	Private Sector Funds levered (local outcome)
	Number of businesses with improved productivity
	Number of businesses introducing new products to the firm
	Number of businesses engaged in new markets
	Number of organisations engaged in new knowledge transfer activity
	Number of early-stage firms which increase their revenue following support
	Increased amount of investment (£)
	Estimated Carbon dioxide equivalent reductions as a result of support
	Increased amount of low or zero carbon energy infrastructure installed (meters squared)

Appendix 3: Ineligible Expenditure

The information below details the items of expenditure which are NOT eligible for UKSPF grant support (this list is not exhaustive and subject to change/refinement).

- Purchase of equipment and consumables required by law and/or any statutory or legislative obligations, duties or requirements.
- Cost of business trips, other travel and subsistence.
- Shared/apportioned costs – including shared/apportioned premises and running costs.
- Direct staff costs.
- Ongoing normal business costs (i.e., business rates, overheads, basic equipment and tools required to undertake the economic activity, etc.).
- Premises costs, including lease costs and associated running costs which are shared / apportioned.
- Notional costs, for example, where an item usually retails at £x, but the applicant buys it cheaper but claims the difference between the price paid and £x.
- Payments for activity of a political nature.
- Provisions – i.e., money set aside to pay for future events e.g., sink funds.
- Contingencies and contingent liabilities.
- Dividends.
- Interest or service charges arising on debt incurred including finance leases, hire purchase and credit arrangements.

- Costs resulting from the deferral of payments to creditors.
- Costs involved in winding up a company.
- Payments for unfair dismissal.
- Compensation for loss of office.
- Bad debts arising from loans to employees, proprietors, partners directors, guarantors or shareholders.
- Paying off debts or refinancing.
- Payments for gifts and donations.
- Entertainment costs, including food and drink provided as part of a meeting.
- Purchase of land or buildings for financial investments.
- Criminal fines and damages.
- Legal expenses in respect of litigation.
- Costs incurred by individuals in setting up and contributing towards private pension schemes.
- Costs incurred by organisations in relocating personnel displaced by the refurbishment or conversion of a building.