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ICT Escalator Grant Guidance

The ICT Escalator Grant is available to any SME within the ICT Escalator Project which has received up to 12 hours support from a University partner and is eligible for ERDF funding, fulfilling the criteria set out below.

The grant is a capital or revenue grant to assist SMEs to implement broadband expansion leading to growth of the business and the development of new products and services.

The grant should make the business more viable, resilient and support growth of turnover and employment. It should enable the business to become more competitive in the national and international economy.

The grant is only available to businesses who have worked with a University partner for up to 12 hours to develop an Action Plan. A business should discuss this grant application with the Business Partnership Manager prior to submission especially if the business or market has changed substantially from the date of the completion of the Action Plan.

The grant scheme is being run by University of Bedfordshire as part of the ICT Escalator Project working with Open University using European Regional Development Funds until August 2019

How much grant can I apply for?

The maximum grant value is £3000. The intervention rate is up to 30%. This means that if you wish to increase your broadband speed to access international markets for £10,000 – the grant element would be £3000. Grants will be offered to companies at a total intervention rate of 30% requiring the company to match the grant by a minimum of 70%.

When do I receive the money?

To receive the money, you will have to apply for the grant and for this to be approved. Once approved and you have received an offer letter setting out that approval. Once the goods are received and paid for in full then you can claim the value of the grant approved. Alongside completing the claim form, you will need to provide evidence of the delivery and payment of the invoice in order to receive the grant and comply with any terms in the offer letter. You cannot claim the grant retrospectively when the order has already been placed prior to approval of the grant.

What can the grant pay towards?

The grant is a capital or revenue grant or can contain elements of both. It can be used to a wide variety of purposes as long as it is line with the Action Plan and contributes toward the



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development of a new product or service and growing the business. This can include machinery and specialist advice or consultancy:

- **Capital**
 - Plant or machinery acquisition
 - Development of a prototype
 - Diversification to produce additional and new products
 - Updates to production processes
- **Revenue**
 - Development and design of a new website or platform
 - Business strategy development to develop new goods and services or their market development
 - Research and development
 - New software
 - Purchase of small pieces (of less than £5000 value) of equipment to increase growth and productivity

What can the grant not be used for?

- VAT payments
- Paying off debts and interest
- Purchase of land or buildings or their repairs
- Replacement of existing machinery or equipment
- Wages or staff costs
- Overhead costs
- Day to day business costs
- Compliance or legal obligations
- Items being purchased with other EU grant funding
- Staff training

How many grants are available?

We are aiming to work with 300 businesses during the project and estimate that a third will receive a grant. We may have more, smaller grants or fewer larger ones but broadly 100 businesses are likely to approved and receive a grant. This is entirely on a first come first served basis.

How is the grant approved?

Your application will need to be accompanied with supporting evidence. This will include 3 years of business accounts or business plans including financial forecasts, if the former are



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not available. The application and Action Plan with all the evidence submitted will be appraised and then considered by a grants panel – comprising at least three people with experience in this area. They will approve, reject or seek further information and then a letter will be sent out with a funding agreement where funds are approved.

How much detail is required?

You are applying for public money so it is important to demonstrate why the investment is needed and the benefits of it, including that value for money has been considered. Please provide enough detail for this to be clearly understood and reference the ICT Escalator Action Plan to support your application.

A successful application should include:

- Reasons for the grant request and how it will deliver growth and innovation in your business
- Details about what you wish to buy, including three quotes and a copy of the specification and from whom it will be procured and paid for
- Clarity of the impact of the grant for the business and the benefits of it including any new products to be delivered and job creation
- References and financial accounts
- All the evidence requested on the form including:
 - A copy of the equality and diversity policy or statement
 - A copy of the environmental sustainability policy or statement
- Reassurance that the funds are available to make the payment to buy the goods.

Can I apply for more than one grant?

No – SMEs can only submit one application and receive one grant. You can withdraw the application at any time.

Which businesses are eligible?

Your eligibility for the programme was checked during the business support stage. There are limits to the number of employees and turnover as well as ownership and this is sought again in the application form to check these details have not changed. There are also eligibility criteria to receive the grant and these are set out above. There are rules about how much public support a business can receive called “state aid rules” and if you have received more than 200,000 Euros in the last three years under de minimis you are unlikely to be eligible for more help. If you have any questions about this then do ask the ICT Escalator Team at University of Bedfordshire.

I have already bought the goods, can I get a grant?

No – funding cannot be paid retrospectively. They can only be paid if the order is placed after the approval of the grant.

Can I pay in instalments?

Yes but any interest is not eligible for the grant. We can pay the grant in instalments if required. This may not be possible at the end of the grant programme as we near closure. You cannot purchase on lease basis and the item must become the property of the business after a final finance payment. For capital items it must appear on the asset log.

Can I include VAT?

No the costs paid are net of VAT.

What is the state aid declaration?

As stated above, state aid covers any public sector grants or assistance that you may have received. If you have already received more than 200,000 Euros of public support including business support/advice and grants in the last three years then you will not be able to receive a grant.

Do you need to see the goods?

We reserve the right to visit any businesses to check the investment is being used as intended. We ask that you photograph the goods and forward this evidence with the claim form. Each asset will need to be asset logged and be marked with an EU sticker to indicate that it has been purchased using EU funds. If the grant was used towards the purchase of services then please photograph this service in development or operation and supply details with the claim.

Do you publish the details of grant recipients?

We reserve the right to do this as we may be subject to Freedom of Information requests. We would aim to inform you of this and seek your permission for any case study information that would be used in newsletters, websites or wider press releases.

How do I procure the investment in a compliant way with ERDF rules?

You need to demonstrate that you have conducted the procurement in accordance with the requirements of the ESIF National Procurement Requirements (ESIF-GN-1-001).

Typically for smaller value grants and investments (where the total value of goods or services to be procured is under £25,000), you will need to provide evidence of three



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quotes. If the total value of the goods or services is over £25,000 then you will need to go out to tender and use our procurement guidance note on this.

You do not have to accept the lowest quote but you must show that you have tested the market. We need to ensure that the procurement of the goods or services referred to in the application is an open and competitive process.

For projects of £24,999 value or less, you will need to supply three quotes for each element of the investment. These can be prices sought online or direct quotes to deliver a service outlined in a brief. You do not need to select the cheapest **but you must show justification and evidence for your reasoning**. In the application form, you need to show that you have obtained quotes for all of the goods or services for which grant funding is sought.

For larger projects of a value of £25,000 or more, you will need to conduct an open procurement. We can support you to prepare the brief, publicity of the opportunity, the evaluation of the responses and evidence the final decision. Please discuss with the ICT Escalator Team at University of Bedfordshire if you require further guidance. Please set out here how you will conduct the procurement.

For projects over £150,000, please contact us for more information as this procurement may be subject to another level of procurement requirements.

Why do I need an equality statement?

The University and its strategic partners are bound by the 2010 Equality Act. The requirement to see an equality statement ensures that the University and its partners are only working with businesses that consider their responsibilities in this area. Please contact the University for further advice if you do not have an up to date statement.

Why do I need an environmental sustainability statement?

The University and its partners are required to ensure that the project supports the development of a low carbon economy and resource efficiency. We need to support businesses to work effectively on this agenda and by ensuring that each business has this policy in place indicates a commitment by the business to progress resource efficiency and lower carbon impact. This should lead to lower carbon emissions and less waste. This can support business growth by reducing costs. Please contact the University for further advice if you do not have an up to date statement.

Why do I need a declaration on conflicts of interest?

Following the 1995 Nolan Report, there are rules in place in the public sector to ensure probity with public money. It would be considered a conflict of interest for a business to appoint another business, in which the first had a financial interest, to undertake a task using public money. This statement is a declaration that this is the case. Project officers working on the project at the University will also complete these forms and will have to declare if they



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have any interest in the businesses applying for grants or receiving assistance from the project.

When will I know if I have got the grant approval?

You should receive a telephone call and then an approval letter within a week of the approval meeting. You should only order the goods after the date of the approval letter.

How can I get some help with completing the application?

If you need help with completing the application, please contact your Business Partnership Manager or contact the University Innovation and Enterprise Service on 0800 328 5334.

Please submit all grant applications including supporting statements directly to ictescalator@beds.ac.uk.