



**European Union**  
European Regional  
Development Fund



SME T1 Revised Final V7 20.05.20

# **Smart Energy Greater Lincolnshire**

**Smart Energy Greater Lincolnshire programme**

**Guidance on Terms and Conditions- for participants**

**Revised May 2020**



# Hi there!

Welcome to Smart Energy Greater Lincolnshire. One of the aims of the programme aims to help Small and Medium sized Enterprises (SMEs) become more energy efficient. This guide will give you a better understanding of your eligibility for the programme and for those applying for a voucher the Terms and Conditions document published on the website. Here is the important nitty, gritty bit. Please make sure you've read this guidance and the Terms and Conditions carefully before you apply for a Smart Energy Voucher.

## Guidance on Terms and Conditions of Participation

Eligibility Requirements.....	3
Roles and Responsibilities.....	4
State Aid .....	7
Data Protection .....	7



## Eligibility Requirements

The Programme is open to small and medium-sized businesses, including the self-employed, which fulfil all of the following criteria:

- Must have fewer than 250 Full Time Employees (FTE). A full-time person counts as one FTE. Please score any part-time employees in proportion (e.g. if an FTE works 40 hours per week, then a part-time employee working 20 hours = 0.5 FTE);
- Must be independent (i.e. no more than 25% of the business is part owned by one or more external organisations);
- Must have either an annual turnover not exceeding EUR 50 million or an annual balance sheet total not exceeding EUR 43 million. If no more than 25% part owned, this criteria applies collective turnover or balance sheet of all companies in the group – these are based on the EU definitions;
- Must be able to demonstrate that the business is actively selling goods and/or services;
- Must not have applied for a Smart Energy Voucher before;
- Businesses must be registered in England (at Companies House, or registered with Her Majesties Revenue & Customs (HMRC) if self-employed) and be able to provide proof of registration with evidence if requested;
- Smart Energy Vouchers are not available to businesses which have started work or have already agreed a package of support with the Supplier against which the Smart Energy for Greater Lincolnshire voucher would be redeemed; ERDF funding is to provide additionality to assist and enable a business to complete measures it would have otherwise struggled to invest in. The Business
- Must have energy provided through a commercial energy contract unless a sole trader.  
This can include public sector organisations;
- Must have an e-mail address. Those who are eligible complete an application and claim the subsidy permitted under the Programme shall be referred to as “the Business”.
- Must not be an undertaking (business) in difficulty ‘Undertaking in difficulty’ means an undertaking in respect of which at least one of the following circumstances occurs:
  - (a) In the case of a limited liability company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance



aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, 'limited liability company' refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU (1) and 'share capital' includes, where relevant, any share premium.

(b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, 'a company where at least some members have unlimited liability for the debt of the company' refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.

(c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.

(d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan

The Business should note that certain sectors/business activities are excluded examples include:

- Export-related activities towards third countries or Member States
- The fishery and aquaculture sector
- The primary agricultural production sector
- The processing and marketing of agricultural products

The Board overseeing the programme have also decided that Welfare services and Church organisations are also not eligible for funding.

For more information you can read the latest version of [commission regulation](#).

For more detailed guidance or to self check eligibility details this can be found on the [EU website](#) or see Appendix 1 of this document.

**Eligibility checks will be undertaken following application to the programme.**



## **Roles and Responsibilities**

Smart Energy Greater Lincolnshire programme is delivered by North East Lincolnshire Council and referred to in this document as the Programme or Organiser

Those who work on behalf of Smart Energy for Greater Lincolnshire to deliver the Programme shall be referred to as the “Delivery Partner”.

Those who deliver the subsidised installation permitted under the Programme, shall be referred to as “the Supplier” and businesses must utilise internal procurement procedures to source suitable Suppliers.

Please see the draft T and C’s document on the [Smart Energy website](#).

## **How it works?**

1. By completing your application form you are confirming that all information provided via a completed eligibility checklist and application declaration form is, to the best of your knowledge, correct. The Business also acknowledges that this information may be used to validate the eligibility of the Business to participate in the Programme and if found to be incorrect the Business may, at the sole discretion of the Organiser, be disqualified.
2. The Programme will be open to new applicants on a temporary basis and the Organiser reserves the right to withdraw, suspend or amend the services provided without notice. The Organiser will not be liable if for any reason the website or the services provided under the Programme are unavailable at any time.
3. The project reserves the right to publicise the Programme through normal channels. No confidential details shall be included in the publicity material.
4. Any works started prior to an agreed Voucher start date with the Smart Energy Greater Lincolnshire team will be classed as ineligible expenditure.
5. To redeem a Smart Energy Voucher the energy advice in the area stated on the Voucher Agreement must have been delivered and any payments due paid by the Business, before the expiry date of the voucher.
6. The Business must have agreed with their chosen Supplier in advance of receiving the Smart Energy Voucher whether;
  - The Business will need to complete and send a Claim Form for a maximum of 38% of the NET cost (you will be notified of the maximum value you are permitted to claim) of the eligible costs incurred (excluding any VAT\*except where a Business is not VAT registered), a copy of the original invoice, ‘proof of payment’ in full and business bank account details to their selected Supplier, or
  - The Supplier will submit a Supplier Claim Form for the unpaid portion of the invoice, after you have paid the eligible costs in accordance with the Supplier’s payment terms and before the expiry date of the voucher.



Other EU funding and some grant funding is not permissible for use as the Business funding of the remaining 62% and the RCM's purchased must be owned by your Business.

7. You must provide evidence that they have followed procurement process and that the 'Treaty Principles' have been followed (which are Equal treatment; Transparency; Non-discrimination; Mutual recognition; and Proportionality. Further guidance can be found in the ESIF National Procurement Requirements (ESIF-GN-1-001) chapter 6.)

a) For projects valued under £25,000: a minimum of one quote must be obtained. Businesses are advised to obtain more than one quote to ensure value for money.

b) For projects over £25,000: the opportunity must be advertised on the business website or other appropriate for 10 days (screen shot evidence needs providing showing dates) setting out:

- Details of the opportunity
- What is required from all interested parties
- How the successful candidate will be chosen
- Deadline and details of how to apply

Once you have chosen the winning supplier you need to provide justification and show how the contract award is in line with the advert for your choice such as chosen on lowest compliant quote (price only which met requirements ) or most economically advantageous where you may have scored a % for price and a % for quality e.g. 50/40 split. The SEGL team can provide further guidance as needed.

For further information can be found on the [EU public procurement document](#).

8. The Smart Energy Voucher cannot be used to cover the VAT element of the cost of the installation unless the Business is not VAT registered. The Business agrees that it will pay any VAT charged by their Supplier.

9. If the Business is VAT registered it should reclaim the VAT in the normal way through your quarterly VAT return to HMRC. If the Business pays flat-rate VAT it cannot claim it as an additional cost, but it must include the cost in its annual return. If the Business is not VAT registered it cannot claim back the VAT from HMRC and the Grant can be used to fund this however this must be discussed and agreed with the Organiser.

10. Smart Energy Vouchers may only be used by the Business and are not transferable.  
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Energy Vouchers will **only** be valid for three months from the date of issue - an expiry date will be clearly stated on all Smart Energy Vouchers issued. The Organiser reserves the right to amend the validation period to meet the objectives of the Programme.

11. Only one claim per Smart Energy Voucher can be submitted. The claim must be for each installation that has been supplied by a single Supplier for the energy advice area that the voucher was awarded.

12. The Business **cannot** use a Smart Energy Voucher with a Supplier that is:



- directly connected to or part of the Business's own business (including being a holding company or a subsidiary company); and/or
- whose directors, employees or advisers are engaged directly or indirectly with the Business.

13. The project reserves the right to reject any claim where it determines that there is a conflict of interest or a potential misuse of public funds. Where a claim is rejected, the Organiser may exclude a Business from the Programme if there are reasonable grounds to show that the Business has abused the Programme.

14. Smart Energy Vouchers can only be used to install agreed measures that will help the business to become more energy efficient. The Smart Energy Greater Lincolnshire Programme Management Team will advise on eligible uses of the Smart Energy Voucher, with further information found on the dedicated [Smart Energy Greater Lincolnshire website](#).

15. Smart Energy Vouchers will not be granted where improvements are only undertaken to ensure that the Business complies with Union standards already adopted, even if they are not yet in force.

16. The Business shall inform the Organiser if any information submitted to the Organiser is confidential and subject to the duty of confidentiality; where appropriate identifying the relevant parts of information that are confidential.

17. Please see the T and Cs on the [smart energy website](#) for other conditions.

## **State Aid**

18. The Smart Energy Voucher programme is covered by the European State aid rules, and both the Organiser and the Business must ensure that they comply with them. A business must make the organiser aware of any grants received in the previous 3 financial years or any that are currently being applied for, date, value and state aid implications. This will enable the organiser to test that the value of any aid awarded will not breach the State Aid De Minimis thresholds. During the process the business will receive a State Aid letter notifying of aid granted by the Organiser. This is for the company's records and for future considerations of De Minimis thresholds should future grants be sought. The Organiser will provide further information about how it proposes to ensure that the rules are complied with as part of the application process .

19. The provision of workshops, bespoke energy advice, grants and free gifts will be provided under State Aid De Minimis provisions. The value of the state aid received will be calculated following provisions of such activity and your business will be provided at the end of process with a declaration document advising of the calculation of State Aid received.

The estimated values of the State Aid provision have been calculated as follows:



**Hourly rate:** £79.01

**Workshop per day:** £ 760.21

Intense audit support average: 5 days (£2,966) and 10 days (£5,932.10)

**Grants:** as per the value of the voucher grant amount approved and contained within the contract.

By applying to the Smart Energy Greater Lincolnshire programme the Business is accepting the State Aid estimated provision amounts as set out above.

## **Data Protection**

20. By accepting to participate in the Programme the Business is committing to provide the Organiser with necessary information about the Business. This will include but not be limited to information required for application and also financial information relating to your Business's position before and after the Business has participated in the Programme. When processing personal data as part of the programme we will comply at all times with data protection legislation (including the General Data Protection Regulation and the Data Protection Act 2018), you can find further information about this in our [Privacy Notice](#). For the purpose of the programme details of you, your business and your employees will be provided to the following third parties:

- Programme delivery partners and their chosen sub-contractors;
- Other public sector organisations;
- other providers of public sector support; and
- Governmental, regulatory and audit organisations.

21. The use of the Business's information may include matching the Business' information to other data sources to understand more about organisations like yours and general patterns and trends, although the Business's data will not be published or referred to in a way which identifies any individual or business. We may also use the Business's contact details to contact the Business for Smart Energy Vouchers Programme impact assessment surveys and may refer the Business to services of value to you. If the Business has any questions in relation to how the information the Business provide, and in particular any personal data, will be processed and disclosed please contact: [smartenergy@nelincs.gov.uk](mailto:smartenergy@nelincs.gov.uk)



## **Appendix 1 – SME guidance eligibility 'Ineligible for Support' 1**

### **AGRICULTURAL PRODUCTS AS DEFINED BY THE TREATY**

#### **Description of products**

- Live animals
- Meat and edible meat offal
- Dairy produce; birds' eggs; natural honey
- Guts; bladders and stomachs of animals (other than fish); whole and pieces thereof
- Animal products not elsewhere specified or included; dead animals of fish. crustaceans or molluscs, unfit for human consumption
- Live trees and other plants; bulbs, roots and the like: cut flowers and ornamental foliage
- Edible vegetables and certain roots and tubers
- Edible fruit and nuts; peel of melons or citrus fruit
- Coffee, tea and spices, excluding mate
- Cereals
- Products of the milling industry; malt and starches; gluten; inulin
- Oil seeds and oleaginous fruit; miscellaneous grains, seeds and fruit; industrial and medical plants; straw and fodder
- Pectin
- Lard and other rendered pig {at; rendered poultry fat
- Unrendered fats of bovine cattle, sheep or goats; tallow (including 'premier jus') produced from those fats
- Lard stearin, oleostearin and tallow stearin; lard oil, oleo-oil and tallow oil, not emulsified or mixed or prepared in any way
- Fats and oil. of fish and marine mammals, whether or not refined
- Fixed vegetable oils, fluid or solid, crude, refined or purified



- Animal or vegetable fats and oils, hydrogenated whether or not refined, but not further prepared
- Margarine, imitation lard and other prepared edible fats
- Residues resulting from the treatment of fatty substances or animal or vegetable waxes
- Preparation of meat, of fish, of crustaceans or molluscs
- Beet sugar and cane sugar, solid
- Other sugars; sugar syrups; artificial honey (whether or not mixed with natural honey); caramel
- Molasses, whether or not decolourized
- Flavoured or coloured sugars, syrups and molasses, but not including fruit juices containing added sugar in any proportion

## **‘Ineligible for Support’ 2**

### **AGRICULTURAL PRODUCTS AS DEFINED BY THE TREATY**

#### **Description of products**

- Cocoa beans, whole or broken, raw or roasted
- Cocoa shells, husks, skins and waste
- Preparations of vegetables, fruit or other parts of plants
- Grape must, in fermentation or with fermentation arrested otherwise than by the addition of alcohol
- Wine of fresh grapes; grape must with fermentation arrested by the addition of alcohol
- Other fermented beverages (for example, cider, perry and mead)
- Ethyl alcohol or neutral spirits, whether or not denatured, of any strength, obtained from agricultural products listed in this Annex, excluding liqueurs and other spirituous beverages and compound alcoholic preparations (known as 'concentrated extracts') for the manufacture of beverages
- Vinegar and substitutes for vinegar  
Residues and waste from the food industries;



prepared animal fodder

- Unmanufactured tobacco, tobacco refuse  
Natural cork, unworked. crushed, granulated or  
ground; waste cork
- Flax, raw or processed but not spun; flax tow and waste (including pulled or  
garnetted rags)
- True hemp (*Cannabis sativa*), raw or processed but not spun; tow and waste of true  
hemp (including  
pulled or garnetted rags or ropes)

## **‘Eligible for Support’ 3**

### **ANNEX 2 TO SECTION 2**

#### **WHAT IS A NON-ANNEX II GOOD?**

It is not possible to provide an exclusive definition of the term "non-Annex II good" since it represents all goods not listed in Annex II of the Treaty - i.e. those which are made by processing the agricultural products listed in the basic agricultural product Regulations. Thus, it covers the vast majority of manufactured foods. As a general guide, the term can be taken to include:

- Ethnic and ready meals
- Flavored yoghurts
- Margarine (some)
- Chocolate confectionery
- Pasta
- Ice cream
- Biscuits
- Snack products
- Pizzas
- Tinned sweet corn
- Sauces
- Mineral water
- Spirits
- Bakery products
- Frozen sweet corn
- Sugar confectionery



- Salt extract
- Breakfast cereals
- Bread

## **EXCEPTIONS**

The following processed foods are specifically excepted from the term "non-Annex II goods":

- Those goods covered by the processed fruit and vegetable regime (e.g. orange juice, tomato paste), and
- Those first-stage processed products listed in the Annex II regimes (e.g. Cheese, jam, flour).



## Privacy Notice for the Purpose of Data Collection

The EU Common Provisions Regulations (CPR), in particular Articles 27.4, 54, 56 of the CPR, and Article 6 of the European Regional Development Fund (ERDF) regulation require the Department for Communities and Local Government (DCLG), as the managing authority for the programme, to monitor and evaluate ERDF-funded activities. In order to conduct monitoring and evaluation individual participant data is required.

For the purposes of the Data Protection Act 1998, DCLG is the data controller in respect of information processed which relates to your participation in the project funded by the European Regional Development Fund, while North East Lincolnshire Council is the data processor.

Depending on the nature of activities of the ERDF-funded project and the indicators listed under each activity, the following information for each direct or indirect beneficiary where these are individuals may be supplied:

- i. Name of contact point within a business (in some cases property owner) engaged with or individual engaged with;
- ii. Address
- iii. Postcode
- iv. Phone number
- v. Email address
- vi. Labour market status prior to receiving support and 6 months after receiving support;
- vii. Duration of support
- viii. Intensity of support

Your details will be stored securely and retained in compliance with the Data Protection Act 1998. This information will be used to evaluate this project and to report to the European Regional Development Fund for monitoring and evaluation purposes.

***(continued below)***

Your details will be used to support the ERDF programme research and evaluation activities. DCLG will need to share all or some of your data with the national evaluator of the ERDF programme. In some cases, the national evaluator, i.e. independent external contractors commissioned by DCLG, may use the contact details to contact a sample of direct or indirect beneficiaries for the purpose of the National Evaluation of the programme. It is likely that the survey methodology will need to incorporate a variety of approaches in order to maximise the survey response rate (for example, telephone survey, written survey, and e-mail survey) – hence the need for a variety of contact details required for each participant. DCLG may also need to share with other government departments and the European Commission where this is necessary to test the robustness of the data gathered or to inform the National Evaluation.

DCLG will not give any personal data to any other organisation unless needed for the



purpose of the evaluation and will instruct them not to use it to contact individuals for any reasons not connected with the purpose of the National Evaluation of the ERDF programme 2014-2020 or other matters directly relating to the evaluation. If DCLG has to pass on the data, it will only provide what is needed, and if possible will remove the details that might identify individuals personally.

DCLG will not keep your personal data for longer than it needs but as a minimum, will retain data for two years after the closure of the 2014-2020 ERDF programme.

The data collected is your personal data, and you have the right, subject to lawful data requirements:

- to see what data we have about you;
- to ask us to stop using your data;
- to ask us to delete or correct your data;
- to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at [Information Officer's Office](#), or telephone 0303 123 1113.

For any information on the above, you can contact DCLG's Data Protection Officer at [dclgkia@icasework.fcgs.gsi.gov.uk](mailto:dclgkia@icasework.fcgs.gsi.gov.uk) or by telephone 030 3444 0000