

Initiation Form

Summary		Reference:	BUS007c
Activity Name:	Net Zero and Resilience and Green Skills Programme – Small Grants for businesses		
Activity Description:	Supporting decarbonisation whilst growing the economy		
Investment Priority:	Supporting Local Business	Intervention:	E29: Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport
Funding Available:	£ 2,050,000 (Total)	This funding opportunity includes both capital and revenue funding . While an indicative split has been included in the financial tables below, we encourage projects to come forward with the capital/revenue split that is appropriate for them to deliver against this initiation form.	
Type of funding opportunity:	Direct delivery by Cornwall Council Good Growth Hub.		
Open Date:	02/03/2023	Close Date:	10/03/2023

Context
Description: Description of the activity and what is expected to be achieved
<p>The CloS declared a climate emergency in 2019 and has been leading the way towards the development of a Green Economy. The Climate Action Plan and Carbon Neutral Cornwall Plan – (Our Action Plan - Cornwall Council) set a target to achieve Net Zero by 2030. This is an ambitious aim when compared to the UK target</p>

of 2050; and one that will only be achieved with everyone (businesses, organisations and households) taking action to reduce their emissions. However, for Net Zero to become embedded within the small and medium sized business sector and across our supply chains, there is a requirement to help individual businesses to become carbon neutral. This transition will not only help shift the economy towards achieving its net zero target, but it will also assist businesses to run more efficiently, more cost effectively, and to be active players in the growth of the Green Economy.

Three key areas are identified as the main drivers of high carbon output: 1. transport; 2. Energy (heat and power); and 3. agriculture. As a large and dispersed rural economy, there is a high reliance on transport services, presenting a challenge for many businesses to reduce their transport emissions. Energy (heat and power) is a core requirement for all business functions, and the current fuel crisis has put unsustainable financial strain on small and medium businesses across all sectors, making the transition to renewable energy key to both carbon output reduction and business overhead costs. Agricultural and land-based businesses can be both sequesters and emitters of carbon dioxide and other greenhouse gases, making their role within this context more complex and therefore requiring tailored, industry specific support. Supporting individual businesses to address some or all of these identified areas is the goal of this programme.

As a 'specialist support' delivery arm of the activity outlined in BUS001b, we want to see a CloS Good Growth Hub proposal that will support businesses embarking on their decarbonisation journeys, via a delegated grant scheme. The small grants scheme will allow the Good Growth Hub to offer fast and flexible grants of up to £200,000 to businesses to help them on their decarbonisation journey, for example through the purchase of new to business carbon reduction technology. Average grant sizes and leverage requirements will be based on comparative estimates from previous programming, national best practice and research on business support efficacy and UK Subsidy Control regime with default intervention suggested at 50%.

Within the small grants scheme there will also be capacity to support collective schemes for carbon reduction plans within a business community. For example, a cluster of businesses from an industrial estate, or a group of businesses based in a town or village hub, may submit a collective application to transition to a renewable energy scheme or make energy efficient improvements to buildings. Grants under this scheme can also be used as match funding for the installation of technology such as an EV charging point. Collective applications must ensure that there is a single, delivery lead organisation.

The Good Growth Hub will ensure that the business support offer will incorporate the Good Growth principles and ensure that delivery contributes towards these.

The Good Growth Hub shall ensure that all support offered to businesses, whether business support services or grants, is fully compliant with UK Subsidy Control and procurement rules.

Strategic Alignment: Description of how proposals should meet strategic objectives, local need and the programme priorities. Expectations for coordination with other funding programmes.

The proposal for Good Growth Hub year 2 and 3 should demonstrate strategic fit and link to local community, social or economic needs.

This opportunity contributes significantly to the achievement of Government's Mission 1 for Levelling Up: To reduce the gap of pay, employment and productivity in all regions across the UK.

This opportunity contributes significantly to the achievement of Government's Mission 2 for Levelling Up: The leverage of private sector investment over the long term to stimulate innovation and productivity growth.

The UK SPF has been launched by UK Government's as part of its wider commitment to level up all parts of the UK and on the key metrics identified in the Levelling Up White Paper Cornwall and the Isles of Scilly is one

of the areas in the UK that is most in need of levelling-up. In its Levelling Up White Paper Government outlined that at national level the UK SPF will have a particular focus on the following objectives:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.
- Spread opportunities and improve public services, especially in those places where they are weakest.
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
- Empower local leaders and communities, especially in those places lacking local agency
- To increase levels of functional numeracy in the adult population

This invitation to bid is part of the Supporting Local Business Investment priority which has the following objectives:

- Creating jobs and boosting community cohesion building on existing industries and institutions, from support for starting businesses to visible improvements to local retail, hospitality and leisure sector facilities.
- Bringing together businesses and partners within and across sectors to share knowledge, expertise and resources, and stimulate innovation and growth.
- Increasing private sector investment in growth - enhancing activities, through targeted support for small and medium –sized businesses to undertake new-to-firm innovation, adopt productivity- enhancing, energy efficient and low carbon technologies and techniques, and start or grow their exports.]

Interventions:

- E29 Supporting decarbonisation and improving the natural environment whilst growing the local economy.

The proposal for Good Growth Hub year 2 and 3 to deliver this function should demonstrate alignment with BUS001b, as well as show evidence of its strategic fit and links to local community, social or economic needs.

The Cornwall Plan 2020-2050 ([Cornwall Plan 2020 - 2050 | Together We Can | Let's Talk Cornwall](#)) sets out a shared vision for 2050 for CloS, with clear ambitions to develop a creative, carbon zero economy.

Aligned with this, our Good Growth Investment Plan identifies the need to invest in local businesses through a streamlined and coordinated business support offer in order to drive productivity improvements in parallel to the growth of a green economy throughout the CloS. In addition, it identifies the need to accelerate the business and community engagement elements of the Cornwall Carbon Neutral Program to increase the contributions they can make to decarbonisation and improving the natural environment, highlighting the link to the Cornwall net zero plans and the Environmental Growth Strategy.

The proposal should outline its alignment with the above, in addition to the following SPF strands, which will also be included within the scope of the Good Growth Hub business support function:

- Research, Development and Innovation skills and business support programme as described in initiation form BUS002b, c and d
- Trade and Investment Programme as described in initiation form BUS005b
- Rural Prosperity Fund Smalls grants fund for farm diversification, food & drink processing as described in forthcoming initiation form RUR001

- Net Zero, Resilience and Green Skills – Bespoke Business Support in initiation form BUS007d

The proposal should also include a delivery plan, to describe the relationship between the Good Growth Hub and the bespoke business provider as outlined in BUS007d. This should include a referral process that outlines the journey of a business receiving net zero support via the Good Growth Hub (GGH). For example, a business receiving a diagnostic assessment from GGH for net zero advice, should be referred to the bespoke business provider (BUS007d) for that support. If it is identified that the business requires a small grant, the bespoke business provider will be required to support the business in applying for a grant to the Good Growth Hub, who will manage and process this application and award the small grant. The Good Growth Hub will be the central point of contact for the business receiving support, and the referral process must reflect this.

All funding expended should contribute to the “Good Growth” requirements outlined in the CloS SPF Good Growth Investment plan. The Good Growth Hub shall incorporate the Good Growth principles into its delivery of business support across CloS, including its small grant schemes where higher levels of funding distribution may be spent on projects, activity or initiatives that deliver the greatest contribution to these objectives especially where they are located and/or target the areas and people of Cornwall and the IoS most in need of levelling up.

Please note:

- ***Cornwall Council reserves the right to allocate more or less funding than the values set out in this invitation to bid.***

Route to Market: In-house Delivery Explain the chosen route to market

The net zero, resilience and green skills small grants for business activity will be delivered by Cornwall Council’s Good Growth Hub team situated with the Economy and Skills Service in Cornwall Council. Direct delivery via the Good Growth Hub will allow Cornwall Council to build on its award-winning CloS Growth Hub while consolidating a fragmented business support landscape by providing a single front door for businesses seeking support alongside embedding the good growth principles consistently within the delivery of the programme. The incorporation of small grants and a specialist support function within the broader offer provided by the Good Growth Hub will further contribute to the delivery of a streamlined support service that does not duplicate the support that is provided.

Specific Requirements: Description of specific requirements

Cornwall Council and the Council of the Isles of Scilly are committed to ensure that projects supported through the Shared Prosperity Fund deliver green and inclusive economic growth. That the jobs created are well paid; quality jobs, that all our communities are able to access the opportunities available through this fund and that our environment benefits from this economic prosperity.

As part of the response to this initiation form, we want to see a delivery plan submitted alongside the application form. The delivery plan should articulate how this net zero, resilience and green skills small grants for business activity will be delivered as a specialist function within the broader offer that will be delivered by the Cornwall Council Good Growth Hub as described in strand BUS001b.

. The delivery plan will identify how the programme will be delivered effectively and compliantly with UK Government SPF guidance, and CloS SPF policies and guidance.

We expect the Good Growth Hub to manage Cornwall Council’s relations with business support providers, including to actively participate in the Prosperity Advisory Panel meetings. The delivery plan should outline

how the Good Growth Hub intends to manage the relationship with business support providers and other relevant stakeholders across Cornwall and the Isles of Scilly.

The Good Growth Hub shall ensure that all support offered to businesses, whether business support services or grants, is fully compliant with UK Subsidy Control and procurement rules.

The Good Growth Hub proposal should also:

1. Set out how people and skills and talent development opportunities are included as part of wider project delivery
2. Demonstrate how activity will complement and not duplicate mainstream, existing and other funded activity. Highlighting the wrap-around support being proposed, and how communities and beneficiaries to be supported will be identified and engaged.
3. Respond to a clearly identified need and clearly describe the need.
4. Not conflict with national policy or local strategies.

Cornwall Council encourages the Good Growth Hub to maximise the leverage of other funding when designing the small grants programme for businesses. However, we recognise not all projects, or applicants will be able to secure match funding. In this case, the leverage of private sector funding will be encouraged via the installation of new to business, carbon reduction technology. Applicants should note value for money will be a selection consideration as it has a number of benefits, including enhanced alignment with other provision and efficient delivery which increases value for money. Therefore, we will take the overall funding package for each project, including any match funding, into account.

Budget & Spend Profile				
Funding Available:	£ 2,050,000 (Total)			
Minimum award related to small grants for businesses:	£5,000	Maximum award related to small grants for businesses:	£ 200,000	
	22/23	23/24	24/25	Total
Total per year	-	£650,000	£1,400,000	£2,050,000
Intervention Rate:	25%	Target Leverage:	£1,025,000	
Spend Start:	01/04/2023	Spend End:	31/03/2025	

Good Growth Principles					
All SPF investments must be made in consideration of the Equality Act 2010. It is mandatory for all applications to assess impact of their project between people who share a protected characteristic and those who do not.					
In addition, the following specific good growth principles must be considered for this activity:					
Clean and Green		Business / Economy		Equality/Inclusive growth	
C1 Reduction in CO2 emissions	X	BE1 Increase % of workforce earning real living wage	X	EQ1 Invest in projects that encourage a healthy lifestyle	<input type="checkbox"/>
C2 Circularity - reduction in use of virgin raw materials. Recycle reuse principles	X	BE2 Improve productivity in all sectors	<input type="checkbox"/>	EQ2 Reduce gender pay gap	X
G1 Nature recovery	X	BE3 Contribute positively to CloS economy, environment and equality through purchasing/procurement	X	EQ3 Increased levels of functional numeracy and literacy in the adult population	<input type="checkbox"/>
G2 Attracting private sector green finance income to Cornwall	X	BE4 Upskilling the workforce	X	EQ4 Maximise opportunity for people with disability and ill health (including mental health)	X
Contribute to the Environmental Growth Strategy for Cornwall and Isles of Scilly	X			EQ5 Maximise work based opportunities for those with SEND particularly relating to spectrum disorders and dyslexia	X

			EQ6 support for the aging population to remain economically active	<input checked="" type="checkbox"/>
			EQ7 Support young (under 30) entrepreneurs	<input type="checkbox"/>
			EQ8 Levelling-up of towns and neighbourhoods throughout CloS	<input type="checkbox"/>
			EQ9 Increased capacity and place-based leadership in communities	<input type="checkbox"/>
			EQ10 Advance equality of opportunity between people who share a protected characteristics and those who do not (Equality Act 2010)	<input checked="" type="checkbox"/>
			EQ11 Assist individuals with complex barriers to employment to access opportunities	<input type="checkbox"/>
			EQ12 Have a positive impact on children and promote and uphold children's rights under United Nations Convention on the Rights of the Child (UNCRC)	<input type="checkbox"/>

Outputs/Outcomes

For this invitation to bid we are looking for activity that delivers the following outputs and outcomes:

E29: Supporting decarbonisation whilst growing the economy	Output / Outcome	Total for the period 2022/23 – 2024/25
Number of enterprises receiving grants*	Output	83
Number of enterprises adopting new to firm technologies or processes*	Outcome	56
Greenhouse gas reduction (% decrease in tonnes of Co2e)*	Outcome	10

*Output/outcome has changed slightly compared to original outputs/outcomes published by government: [UK Shared Prosperity Fund: outputs and outcomes definitions \(2\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/uk-shared-prosperity-fund-outputs-and-outcomes-definitions-2)

The outputs and outcomes stated here reflect our Investment Plan submission to Government. Applicants should note Cornwall Council reserves the right to adjust and refine these outputs and outcomes as delivery progresses during the duration of our SPF programme and further national guidance becomes available.

Appraisal Criteria			
Strategic Alignment	Good Growth	Deliverability	Value for Money
30%	30%	20%	20%
Explanation for criteria weighting			
<p>The strand focuses on the achievement of a key strategic priority: the decarbonisation of the CloS economy; a central theme aligned with the Good Growth principles that underpin this program. Strategic alignment and Good Growth have therefore been weighted to reflect this. Deliverability has a lower weighting as we are not anticipating large, capital projects via this scheme. A demonstration of value for money will be required, as it has a number of benefits, including enhanced alignment with other provision and efficient delivery.</p>			

For further information on the programme please refer to the [Good Growth website](#). Completed Applications and relevant documentation must be submitted via email to goodgrowth@cornwall.gov.uk before the deadline stated on this Form.

Support and guidance to assist applicants through the application process is available at [Good Growth website](#).

More information on Shared Prosperity Fund can be found on the UK Government website; <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus>

Date Updated:	31/01/2023	Lead:	Good Growth Team
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