

Call for Capital Projects in Berwick upon Tweed

Create Berwick is one of three Culture & Creative Zone (CCZs) funded by the North of Tyne Combined Authority to support people and businesses working in the cultural and creative industries. Northumberland County Council is leading the five-year programme (2022/23 to 2026/27) and investing resources to promote Berwick as an inspiring and thriving work environment for creative people, a must-see destination for visitors and a vital local asset shared by all of Berwick's residents.

NCC seeks proposals which support the development of physical spaces and places where creatives, local people and visitors can create work, collaborate, and experience cultural activity. This includes creative workspace and facilities to produce, present and sell work.

Specification and Guidance

Call Opens Friday 22nd March 2024

The first deadline for the submission of project applications is 5pm Friday 5th April 2024

We encourage applicants to submit bids by the **Friday 5th April** deadline if at all possible, even if your project proposal is not fully worked up at this time.

As the funding available is limited, Northumberland County Council (NCC) wants to quickly get a full picture of the projects that are likely to seek funding from the Programme so it can gauge which projects it may be able to support within the available funds.

Therefore, it is important that applicants submit their project ideas to us as early as possible, even if they are not fully developed.

Where applicants may have limited capacity to prepare bids by the **Friday 5th April 2024** deadline, NCC can provide additional support and advice to help you meet the deadline.

If you have any questions about this call, or would like to request support with your application, please contact: **Andrea Oliver, CCZ Manager**
Andrea.Oliver@northumberland.gov.uk

1. About this Programme and funding opportunity

Northumberland County Council (NCC) intends to fund capital development projects in Berwick upon Tweed which deliver affordable workspace for creative people and businesses. The aim is to bring forward buildings as creative production facilities to support the growth of the creative industries and increase opportunities for start-ups and businesses.

Create Berwick will play a leading role in driving the culture-led regeneration of Berwick and improve the visitor economy and increase wealth in the local economy. This will be achieved by increasing the vibrancy and sustainability of Berwick upon Tweed, supporting existing creative businesses, and attracting new ones. It will also enable more local people to engage with the creative industries and encourage more young people to access jobs in the creative sector.

Our ambition is for Berwick to be renowned as a creative town with the infrastructure and capacity to deliver a prosperous local economy. Create Berwick is a catalyst to drive culture-led regeneration and raise the town's profile in regional, national, and international markets, attracting more visitors and spending. This funding opportunity responds to the challenge of generating new and sustainable workspaces and places for creative communities to take root and build businesses.

NCC wants to fund capital development projects in Berwick aiming to:

- Establish new creative workspaces
- Support the growth of creative industries
- Repurpose existing buildings or spaces as creative workspace or studios
- Provide new cultural spaces for residents and visitors to access creative activity
- Contribute to the regeneration of the built environment

Projects applying under this call must be able to start delivery as early as possible in 2024, project delivery and spend must be completed by 31st December 2024 and outputs and outcomes must be completed by 31st March 2025.

Therefore, the Council would like to encourage all applicants with an eligible project, whether it is fully developed or at an early concept stage only, to submit their proposals now so we can get a full picture of all the projects that are likely to seek funding from the Programme.

The first deadline for the submission of project applications is 5pm Friday 5th April 2024.

2. Programme background and strategic objectives

Berwick upon Tweed's location three miles from the Scottish Border and sitting midway between Newcastle and Edinburgh, is the northern gateway to Northumberland. The town serves a wide rural hinterland, providing jobs and serves for communities across North Northumberland and the Scottish Borders. It has good connectivity via the A1 and East Coast Main Line and is less than one hour from Newcastle and Edinburgh by rail. Its location makes it a vital connection point and it offers huge potential to draw in creative businesses and visitors to the town.

Arts, culture and heritage is a sector in which Berwick has several valuable and established assets that form a strong foundation upon which to build culture-led regeneration. It is a town with significant cultural and creative capital of artists, makers, festivals and heritage assets, as well as the location of three Arts Council England National Portfolio Organisations (NPOs). The festival calendar includes an international film and media arts festival and literary festival, alongside living heritage festivals rooted in rural traditions and history. It is these assets and strengths that made Berwick the ideal location for the Culture and Creative Zone (CCZ). However, in common with most rural locations there are well recognised challenges that hold Berwick's growth and prosperity. They include limited private investment and growth, underdeveloped year-round visitor offer and lack of affordable creative spaces and infrastructure.

In 2022 Northumberland County Council secured £1.5 million from the North of Tyne Combined Authority to be part of Culture & Creative Zone (CCZ), a 5-year pilot programme alongside Newcastle and North Shields local authorities.

Our Cultural Investment Plan sets out our strategy to transform Berwick and achieve our vision of culture and creative-led growth based on three objectives: [Our Approach - Create Berwick - Culture & Creativity in Berwick-upon-Tweed](#)

SO1 Growing Town

To Grow Berwick's economy and population sustainably by building on established cultural and creative strengths, and capitalising on visitor economy opportunities, investing in business growth, job creation, education and skills, and leisure and culture, for the benefit of all people, communities and businesses. We will adopt a net zero approach to growth, minimising the environmental impact of our projects and activities.

SO2 Vibrant Town

To increase vibrancy and activity in Berwick, building a thriving community of visitors, residents, creatives and learners who will use the centre for leisure and culture, education and employment, boosting footfall and creating an attractive, lively place where people want to spend time and money.

SO3 Inclusive Town

To enable all of Berwick's people, communities, and businesses to share in the benefits of culture-led growth through access to better skills, jobs, and cultural activities, and by providing opportunities to retain and attract more young people to the town.

3. Eligible activity

This call is for capital projects that will build infrastructure and deliver new sustainable workspace for the existing and, growing, creative sector:

- Regenerate an existing building or space in Berwick for use as workspace.
- Provide affordable workspace for creative businesses.
- Provide facilities for making, production, presentation or selling of artwork and events.
- Offer spaces for residents and visitors to access or engage with creative services
- Contribute to the regeneration of Berwick's built environment

The funding will not support:

- Investment in buildings or infrastructure for use non-creative businesses.
- Projects which do not align with creative industry standard rent.
- Non-creative retail.
- Any activity where there is high risk of market displacement (i.e. the types of activities you are proposing to deliver through your project are already being provided in your target area and there is a risk that your project will take service users / customers away from these existing services).

Full details of the types of projects and organisations that are eligible for funding under this call are provided in Appendix 1 of this document.

Applications are invited from projects that can demonstrate clearly how they will deliver against the objectives, outputs and outcomes in the Berwick CCZ programme and the aims of the NTCA UKSPF Investment Plan for Berwick CCZ.

Further information can be found in the following links:

[Create-Berwick-Cultural-Investment-Plan.pdf \(createberwick.co.uk\)](#)

[\(North of Tyne Combined Authority UKSPF Investment Plan\).](#)

4. Call parameters

<p>Priority Project Types</p>	<p>Through this Project Call we are specifically seeking:</p> <ul style="list-style-type: none"> ▪ Capital projects capable of mobilising quickly in accordance with current UKSPF and CCZ timescales <p>Please note that the £540k capital pot is made up of two component funding streams that impact on timescales.</p> <ul style="list-style-type: none"> ▪ £330k will be invested in capital projects which can be completed by December 2024 ▪ £210,000 is available for projects for completion by December 2025. 						
<p>Dates & Deadlines</p>	<p>This call for projects opens on 22nd March 2024 and will remain open until 5pm on 5th April 2024.</p> <p><u>The deadline for the submission of project applications is 5pm 5th April 2024</u></p>						
<p>Fund Allocation, Minimum Application Values and Project Durations</p>	<p>The total programme capital funding available up to December 2025 is shown in the table below. Please note that £330,000 of this funding needs to be deployed by December 2024 in order to meet UKSPF timescales.</p> <p>Applications for projects below £100,000 will not be accepted.</p> <table border="1" data-bbox="427 1198 1150 1384"> <thead> <tr> <th>Intervention</th> <th>Grant Funds available</th> <th>Minimum Grant award</th> </tr> </thead> <tbody> <tr> <td>Capital</td> <td>£540,000</td> <td>£100,000</td> </tr> </tbody> </table>	Intervention	Grant Funds available	Minimum Grant award	Capital	£540,000	£100,000
Intervention	Grant Funds available	Minimum Grant award					
Capital	£540,000	£100,000					
<p>Added Value</p>	<p>Applicants are expected to submit proposals which demonstrate impact and additionality. This funding is not intended to replace existing funding or duplicate activity.</p>						
<p>Geographical Scope</p>	<p>Funding will be focused on projects delivered in Berwick upon Tweed</p>						
<p>Eligible match funding</p>	<p>NCC welcomes projects that bring match funding. However, there is no set level of match funding required and projects can request up to 100% funding from this Programme.</p> <p>Proposals which include match funding from other sources will be scored more favourably through the assessment process and must provide evidence match funding is in place prior to any project start date.</p> <p>NCC expects match funding must be auditable and relate to actual project expenditure before a project start date.</p>						

Procurement	<p>Successful applicants must follow the Public Procurement Principles when appointing contractors to undertake the work and provide evidence of the procurement process.</p> <table border="1" data-bbox="411 320 1366 1037"> <thead> <tr> <th data-bbox="411 320 884 360">Value of contract</th> <th data-bbox="884 320 1366 360">Minimum procedure</th> </tr> </thead> <tbody> <tr> <td data-bbox="411 360 884 400">£0 - £9,999</td> <td data-bbox="884 360 1366 400">Direct award</td> </tr> <tr> <td data-bbox="411 400 884 589">£10,000 - £50,000</td> <td data-bbox="884 400 1366 589"> <ul style="list-style-type: none"> • 3 written like for like quotes or prices sought from relevant suppliers of goods, works and / or services </td> </tr> <tr> <td data-bbox="411 589 884 1037">Over £50,000</td> <td data-bbox="884 589 1366 1037"> <ul style="list-style-type: none"> • Formal tender process • A detailed specification will be advertised for 10 working days on NCC Website • Tenders are invited from a minimum of 3 potential bidders • Formal and transparent process for evaluating and appointing a winning tender </td> </tr> </tbody> </table>	Value of contract	Minimum procedure	£0 - £9,999	Direct award	£10,000 - £50,000	<ul style="list-style-type: none"> • 3 written like for like quotes or prices sought from relevant suppliers of goods, works and / or services 	Over £50,000	<ul style="list-style-type: none"> • Formal tender process • A detailed specification will be advertised for 10 working days on NCC Website • Tenders are invited from a minimum of 3 potential bidders • Formal and transparent process for evaluating and appointing a winning tender
Value of contract	Minimum procedure								
£0 - £9,999	Direct award								
£10,000 - £50,000	<ul style="list-style-type: none"> • 3 written like for like quotes or prices sought from relevant suppliers of goods, works and / or services 								
Over £50,000	<ul style="list-style-type: none"> • Formal tender process • A detailed specification will be advertised for 10 working days on NCC Website • Tenders are invited from a minimum of 3 potential bidders • Formal and transparent process for evaluating and appointing a winning tender 								
Eligible Applicants	<p>Applicants must be legally constituted at the point of signing a Funding Agreement and be able to enter into a legally binding Funding Agreement. The Applicant will be the organisation that, if the application is successful, enters into a contract with NCC and therefore carries the liability for ensuring that the terms of the Funding Agreement are met by them and to all delivery partners. Applications are encouraged from consortia or other similar types of partnership arrangements; however, a lead organisation must be selected to become the Applicant. It is this organisation that carries the responsibility and liability for carrying out a compliant project.</p> <p>Please see full eligibility information set out in Appendix 1</p>								
Subsidy Control	<p>Grants to organisations are often considered to be a subsidy. Please read Appendix 3 for more information on subsidy control before completing the application form.</p>								
Contact	<p>Please direct all enquires and email your completed signed application form to: createberwick@northumberland.gov.uk</p>								
Outputs, Outcomes and Impacts	<p>Projects must deliver outputs and outcomes as described in Appendix 2.</p>								
Next Steps	<p>Please submit your completed Application Form and ensure the following information is included:</p> <ul style="list-style-type: none"> • Explain clearly what the project is and how it aims to meet the objectives of this funding • Demonstrate a clear case for the necessity of grant support • Demonstrate your project is located in the eligible area • Meet the remit of Berwick Cultural Investment Plan and NTCA UKSPF 								

	<ul style="list-style-type: none"> • Demonstrate added value • Avoid duplication • Be delivered and completed within the timeframe options set out in this document • Not exceed the maximum funding available unless you are funding additional costs from your own budgets, or match funding is confirmed • Provide required supporting documents (ref: Application Checklist) <p>NCC Officers will assess grant applications. Grant Awards will be decided by the Grant Fund Investment Panel. If your application is approved, you will be asked to sign a grant agreement with Northumberland County Council.</p> <p>NB: You must seek NCC advice on whether you may start spending prior to receiving a Grant Funding Agreement. This may be possible subject to conditions set out by NTCA and UKSPF but the Applicant must be aware it is at their own risk.</p>
<p>Application Checklist</p>	<p>Please ensure your application is accompanied by required supporting documents, for example procurement quotes and evidence of additional funding. Any permissions, such as planning must be in place before the application can be considered.</p> <p>You are advised to submit supporting documents as outlined in the Application Checklist below.</p> <p>Supporting documents:</p> <ul style="list-style-type: none"> • Your most recent audited accounts • Articles of Association or Memorandum Agreement • Evidence of any grant offers from other sources, including current offers and applications • Evidence of satisfactory procurement has taken place must be included in the grant application. • If you are proposing to accept any tenders or quotes other than the lowest cost, please submit your justification for selection e.g. quality scoring applied. • Current bank statement • Evidence of interest/ownership of property (ie. Proof of leasehold or freehold) • Evidence of any incumbrances, restrictions or claims against the property • Statutory consents (e.g., planning permission, listed buildings consents, building regulation consent) as well as party wall agreements as required • Proof that your contribution towards the cost of the works is secured • Details of proposed works; can include drawings, equipment specifications and photographs

	<ul style="list-style-type: none"> • Landlord consent
Monitoring Returns	<p>Claims will be paid quarterly in arrears when:</p> <ul style="list-style-type: none"> • A fully completed claim form has been approved by NCC together with supporting information (including a detailed transaction list from which information will be sampled and evidence of defrayment required). • Any project specific funding conditions have been complied with. • Financial, output, milestone, risk and progress information has been uploaded correctly onto the Hanlon System.

5. Application Assessment Criteria

When completing your Grant Application Form, please provide as much detail and supporting evidence as possible about your project to enable NCC to assess the strength and deliverability of your proposal.

NCC will assess and score each application on the extent to which it meets the following criteria. Only those projects scoring highly against all criteria will be considered for funding.

- Demonstrates good Local Strategic Fit with the objectives and priorities set out in the Cultural Investment Plan for Create Berwick CCZ and the North of Tyne Combined Authority
- Meets all eligibility rules set out in Appendix 1 of this document and delivers at least one of the eligible activities set out in Section 3.
- **Additionality:** Delivers outputs, outcomes and benefits that are additional i.e. would not happen in the absence of the project.
- **Deliverability:** Projects demonstrating that they can complete delivery by December 2024 will be prioritised in relation to the UKSPF component of the funding.
- Will achieve value for money on project costs in terms of the quantified outputs and benefits the project will deliver.
- Is able to evidence need and demand for the project.
- Demonstrates there is support for the project from local people, businesses, and communities.
- Ability to meet the requirements of the Public Sector Equality Duty.

Please note that following submission of your application form, NCC may ask you to provide further detailed information in support of your project.

Before completing the Grant Application Form, please read the following appendices for further important information:

Appendix 1: Eligibility Guidance

Appendix 2: Outputs and Outcomes

Appendix 3: Guidance on Subsidy Control

Annex 1 Expenditure, Funding and Outputs Tables

Appendix 1: Eligibility Guidance

Eligible Applicants

- Applicants must be a legally constituted body, and not an individual or sole trader.
- Applicants can be public, private, charitable, or community and voluntary sector organisations.
- Limited companies operating in rural areas are eligible to apply.
- Applicants must adhere to NTCA guidance, please follow the link for further information [IF-G-004-NTCA-Funding-Guidance-V2.docx \(live.com\)](#)

Eligible Expenditure

Capital projects are eligible for funding through this Programme. However, only eligible items of capital may be included in the project costs. An explanation of the eligible capital costs you may include in your application is provided below.

Please note, the acquisition of land, buildings and assets is an eligible cost, but any such acquisitions must be linked directly to the project activities and essential to deliver the project outputs and outcomes.

Capital Expenditure

- **Land Acquisition:** The cost of purchasing land which is not built upon.
- **Building Acquisition:** The cost of acquiring a building if there is a direct link between the purchase and the objectives of the project.
- **Site Investigation:** The cost of investigations and inspections of sites to collect information, and report potential hazards or risks of a site which are unknown.
- **Site Preparation:** The costs associated with demolition of existing buildings and structures, clearing of building sites, excavation, levelling, drainage, and other preparation prior to construction.
- **Building & Construction:** This should include external/ internal refurbishment and conversion of existing buildings, new build premises, provision of services, and landscaping.
- **Plant and Machinery:** This should include tangible fixed assets used for the purpose of providing a service for the project. It should also include equipment required for operational and research purposes where it is directly related to the project. The purchase costs of second-hand equipment are eligible provided they meet the needs of the projects and have not been purchased with the aid of national or community grants.
- **Fees:** This should include fees and salaries for design and supervision. Fees include legal consultancy fees, notarial fees, and the cost of technical and financial experts if they are directly linked to the project and are necessary for its preparation or implementation.
- **Other Capital:** Any eligible capital expenditure not covered by the categories above provided it can be clearly demonstrated that these are directly related to the delivery of the project.
- **Contingency:** A contingency budget must be identified at application stage for capital projects if under the following circumstances: A risk analysis has been undertaken to identify uncertainties in the estimated budget to ensure the contingency is appropriate. The value of contingency is clearly identified and presented within a granular breakdown against specific cost categories. For further information refer to: [IF-G-004-NTCA-Funding-Guidance-V2.docx \(live.com\)](#)

Ineligible Expenditure

- Costs not directly linked to the project. Where only part of the capital development fits with the scope of the funding priorities, costs will need to be apportioned.
- Retrospective expenditure or expenditure relating to pre-existing contracts
- Lost opportunity costs.
- Depreciation costs.
- Payments that support activity intended to influence or attempt to influence the UK Parliament, Government, political parties, or attempting to influence the awarding or renewal of contracts and grants or attempting to influence legislative or regulatory action in the United Kingdom.
- Costs incurred up to and including the full planning application.
- The call is specifically for organisations to deliver capital projects in Berwick upon Tweed that will add value to the local economy and their communities. It is not for activities that are for the exclusive benefit of the applicant organisation and best value must always be sought.
- Notional costs e.g. 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, e.g. money set aside to pay for future events e.g. sink funds
- Contingencies and contingent liabilities: There will be no reimbursement of costs against the heading 'Contingency' nor costs outside of NTCA capital funding guidance
- 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 of a company
- Payments for unfair dismissal
- Compensation for loss of office
- Payments for gifts and donations
- Entertainment apart from food and non-alcoholic drink provided for a meeting
- Statutory fines and penalties
- Criminal fines and damages
- Legal expenses in respect of litigation

NB: This list is not exclusive and any queries about the eligibility of costs not included in the list above should be addressed to NCC

Ineligible Activity / Sectors

- Investment in buildings or infrastructure for use by non-creative businesses
- Non-creative retail.
- Any activity where there is high risk of market displacement (i.e. the types of activities you are proposing to deliver through your project are already being provided in your target area and there is a risk that your project will take service users / customers away from these existing services).

Area eligible for funding:

Berwick upon Tweed

Appendix 2: Outputs and Outcomes

This programme is funded via NTCA therefore the overall programme needs to achieve a specific outcomes and outputs.

Please read and refer to NTCA and SPF guidance:

[Business Guidance - NTCA \(northoftyne-ca.gov.uk\)](http://northoftyne-ca.gov.uk)

[UKSPF Output Outcome Guidance V1 - NTCA \(northoftyne-ca.gov.uk\)](http://northoftyne-ca.gov.uk)

Please complete ANNEX 1 (Expenditure, Funding and Outputs Tables) to identify the specific output / outcome numbers your project will deliver. Select the output and outcome measures (from both the UKSPF and IF lists) that relate most closely to your project activities and objectives.

We do not expect individual projects to deliver against every output / outcome measure and the focus for this call is on the following:

Outputs

1. Number of buildings developed or improved
2. Creation or safeguarding of space for shared community or business activities
3. m2 of floorspace developed or improvement
4. Number of rehabilitated premises
5. Amount of rehabilitated land m2
6. Amount of public realm created or improved

Outcomes

- Jobs created
- Jobs safeguarded
- Increased visitor numbers

Please select only those that are directly relevant to your project.

Appendix 3: Guidance on Subsidy Control (Formerly State Aid)

Under the Subsidy Control Act 2022, a “Subsidy” means any financial assistance given directly or indirectly through public resources by a public authority that confers a specific economic advantage on one or more enterprises, with respect to the production of goods or the provision of services, and which is capable of having, an effect on competition or investment within the United Kingdom or trade or investment between the United Kingdom and another country. **This includes grant funding, free training and workshops.**

Any financial assistance awarded through CCZ will be checked by NCC for compliance with the Subsidy Control rules.

We anticipate that many of the CCZ grant applications will be considered to be a subsidy.

Definition of a Subsidy

- A “subsidy” means financial assistance which includes grants, loans at a preferential rate and goods and services at a reduced cost – such as free training or events or subsidized consultancy.
- It must be awarded from a public body such as Northumberland County Council
- It must be made to an enterprise. *An enterprise is any entity which provides goods or services on a given market, regardless of its legal status.* This includes charities, non-profit organisations, sole traders and cooperatives – a profit does not have to be made. It is irrelevant whether the organisation has charitable aims or if profits will be directed towards activities for the public good. Offering goods and services occurs when goods or services are made available to users, even if a fee is not actually charged. A market exists when there is competition with at least one other organisation to provide goods or services to customers. **So financial assistance to a recipient that does not provide goods or services on the market is not a subsidy** (for example, a grant to NHS providers of health services is not a subsidy. Also support for an organisation that carries out non-economic activities with some ancillary economic activities is not a subsidy).
- It must confer an economic advantage for an enterprise. An advantage means a benefit not obtained under normal market conditions. **Purchasing goods and services following appropriate public procurement processes at market rate is not an economic advantage**
- It must be specific and not available to all so that it benefits one or more enterprises over others. **Measures which treat equally all enterprises in the area for which the authority exercises its responsibilities would not be a subsidy.**
- It has, or is capable of having, an effect on competition or investment within the United Kingdom or trade or investment between the United Kingdom and another country. Financial support. **Where the enterprise is operating in a market inherently without competition and there is no evidence of any potential market entry (e.g., support for a hairdresser in a remote village)**

If all these criteria are not fulfilled, then the assistance is not a Subsidy.

If you consider that a CCZ grant is not a subsidy, please add in the commentary within the RAMP Application form.

If the Grant is a Subsidy

If the grant is a subsidy, then it can still be awarded but some additional paperwork will be required. There are two exemptions where organisations must declare previous financial assistance. **The Application form will ask for a list of previous grants and assistance to help us assess how we can compliantly award grants. Please can you complete this section as fully as possible.**

Please note that the following are not required to be included within this table: Basic Payment, Countryside Stewardship, grants awarded under GBER (General Block Exemption Regulation) Commission Regulation (EU) No 651/2014 of 17 June 2014.

- **Minimal Financial Assistance (MFA)**
Organisations (and any linked organisations) are allowed up to £315,000 in the current (from 1 April 2023) and previous two financial years. This allowance is cumulative and includes any subsidy previously received as 'de minimis' aid awarded under former EU State aid Rules (Commission Regulation (EU) No. 1407/2013) or as Minimal or Small Amounts of Financial Assistance under Article 364(4) of the Trade and Co-operation Agreement from any subsidy awarding body.
- **Services of Public Economic Interest (SPEI) Assistance**
A similar allowance for SPEI Assistance given to an organisation if the total amount of MFA or SPEI Assistance given to the enterprise within the applicable period of three fiscal years does not exceed £725,000. SPEI can include social housing and rural bus services.

If these exemptions do not apply, then a subsidy will need to be assessed for compliance with the subsidy control principals.

Principle A: Subsidies should pursue a specific policy objective in order to remedy an identified market failure or address an equity rationale (such as local or regional disadvantage, social difficulties or distributional concerns).

Principle B: Subsidies should be proportionate to their specific policy objective and limited to what is necessary to achieve it.

Principle C: Subsidies should be designed to bring about a change of economic behaviour of the beneficiary. That change, in relation to a subsidy, should be conducive to achieving its specific policy objective, and something that would not happen without the subsidy.

Principle D: Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy.

Principle E: Subsidies should be an appropriate policy instrument for achieving their specific policy objective and that objective cannot be achieved through other, less distortive, means.

Principle F: Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition and investment within the United Kingdom.

Principle G: Subsidies' beneficial effects (in terms of achieving their specific policy objective) should outweigh any negative effects, including in particular negative effects on competition and investment within the United Kingdom, and international trade and investment.

[More guidance can be found here.](#)