

Applications and approval process

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Updates to last version

- change to the eligibility of preparatory fees in the Value for money section

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Before we can process your application, it must be complete and contain all the information we require, including all supporting documentation, as detailed in the Guidance. You must complete the application form clearly and accurately and ensure that you send us all the relevant documentation before the application submission closing date for the relevant funding round. Where information is missing your application may be rejected.

What happens after your application is received

Once your application is received, an initial assessment will be carried out to ensure it meets basic scheme eligibility criteria:

- [Business has a valid Business Reference Number \(issued by Rural Payment and Services.\)](#)
- [Inputs to the project are at least 90% Annex I \(Agricultural products\)](#)
- Ensure all required documentation has been received

We will aim to issue you an acknowledgement letter within 14 days of receipt. Where eligibility requirements haven't been met or your application is incomplete, we aim to confirm this in writing within 14 days.

Value for money assessment

Value for money and technical eligibility checks will be undertaken by suitably qualified personnel. You will be notified of any costs that are ineligible or if your preferred supplier has not been approved (i.e. the costs considered eligible are restricted to that of the lowest quote received due to insufficient justification).

This assessment will consider project details, specification and quotes to determine value for money and identify any ineligible costs. Examples of eligible and ineligible claims can be found in the examples section.

[Examples](#)

Only where costs are considered to represent value for money will your application proceed to the next stage. If the project does not represent value for money your application will be rejected and returned with an explanation of the specialist's findings.

In some circumstances we may be able to consider supplementary information that will allow your application to proceed to the next stage.

It is very important that **you must not start work** on your project before receiving notification that your application has been successful.

This will take the form of a grant-offer letter that will have to be signed and returned to us. Failure to meet this condition will constitute a breach of the scheme rules and will result in your application being rejected or where discovered post offer your award will be withdrawn and any funding paid will be recovered.

We recognise that preparatory work may be necessary and expenditure incurred, relating to professional fees prior to approval, will not disqualify the project but may be ineligible for grant funding.

Food industry adviser assessment

A food industry adviser (specialist appointed by Scottish Government) will carry out an assessment using the information submitted in the application. This assessment will consider the following:

1. fit with the Scottish Government's vision for food and drink and other government policies
2. market prospects
3. financial viability of the business
4. compliance with relevant standards relating to environment, hygiene and animal welfare

Economic assessment

Your application will be considered by a Scottish Government economist. This assessment will consider a number of factors, including:

1. the extent to which the project would proceed without public support (taking account of net current assets, profitability, strength of balance sheet)
2. whether implementation of the project would likely result in displacement effects (particularly in a Scottish context)
3. benefits derived in terms of employment, sales, productivity, value-added, environmental sustainability, health
4. deliverability and overall value for money

National Project Assessment Committee (NPAC)

Applications are considered by the NPAC, made up of food and drink and business specialists.

The NPAC takes into consideration the reports completed by Scottish Government specialists (i.e. value for money assessment, food industry adviser assessment and economist assessment).

Projects will be screened against the following selection criteria:

- benefits derived from grant support – in terms of sales, productivity, costs reduced (or avoided), new markets or improved skills
- contribution to Scotland's journey towards becoming a *Good Food Nation*
- Contribution to the implementation of the Fair Work First Policy
- deliverability – project likely to deliver its objectives successfully and cost effectively (evidence of value for money)
- evidence of co-operation activity in the food and drink supply-chain
- environmental sustainability – less energy / water consumption; less packaging; reduced waste; reduced emissions
- health and education – project contributes to wider Scottish Government social policies
- supports Scottish primary producers, i.e. utilisation of domestic produce, or assists in developing market readiness
- additional economic benefits – e.g. supply chain coherence and export performance
- innovative products or processes

It will not be necessary for each application to meet all of the above criteria to be considered eligible for grant support. However, projects that are able to demonstrate linkages to several criterion are likely to rank more highly in the assessment process.

Approval arrangement

The NPAC has delegated authority to confirm grant awards up to and including £500,000. Decisions on larger awards will be made by Ministers following consideration of a recommendation from the NPAC. In all cases Ministers will be advised of the outcome of applications for support

Notification of outcome

The NPAC meeting will generally take place approximately three months after the closing date for applications.

Applicants will be informed following the Ministers' decision and notification. We will aim to issue your contract or rejection letter within 14 days of the decision. If we are unable to achieve this we will inform you.

If successful, you are required to accept or reject the offer of award within four weeks of the contract issue date. During this period we will not enter into negotiations over the detail of the award.

Monitoring

We will monitor the project progress throughout the grant control period. When requested, you will be required to provide an update regarding the progress of your project, including those agreed as part of the grant conditions (objectives, outcomes, targets and milestones).

Failure to return monitoring report forms or poor performance of projects may result in the withholding of grant payments and / or recovery action.

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