# The UK’s new subsidy control scheme: transcript of introductory video

Welcome to the UK’s new subsidy control scheme. If you’re a public authority you need to be aware of your responsibilities when giving a subsidy.

But what is a subsidy? And why are there rules around giving them?

A subsidy is where a public authority provides support to a business in a way that gives them advantage over a competitor. Without controls though, subsidies could give an unfair advantage to some business over their competitors.

The new UK subsidy control regime delivers on our international commitments to free trade. At its heart the new regime is permissive, reducing bureaucracy.

You can now design subsidies that fit with your priorities, whether that’s supporting research and innovation, reaching net zero carbon targets, or boosting economic growth across the UK.

The smallest subsidies are exempt from most subsidy control rules but you will need to upload any subsidy over £100,000 to our open database.

You need to do your own assessment against a set of principles to determine if a subsidy is allowed. The higher the impact of your subsidy the more in-depth your assessment will need to be. Additional steps apply for the largest subsidies.

As long as you follow these simple rules you can go ahead and award the subsidies. But be warned – any competitor can challenge your subsidy in the courts. If you didn’t follow the rules you could be ordered to recover it from the business. But if you stuck to the rules your investment will be protected. Businesses and local economies will benefit from your support.

We’ve published extensive guidance and a quick guide for public authorities. Visit GOV.UK to find out more.