

2. Governance, Approvals and Data Capture

*Departments shall ensure they have a robust **grants approval process** to approve **spend over £100k**, and that details of all current grant schemes and awards are **available on the Government Grants Information System (GGIS)**.*

Managing Public Money:

1. Departments' primary concern when administering grants is to have due regard to the guidance set out in Managing Public Money; nothing in this document is intended to contradict or override that guidance.
2. This functional standard is not intended to be an additional spending control; departments retain accountability for decisions on all grant expenditure.

Important note on scope:

3. This functional standard applies only to **general grants** made by departments and their Arm's Length Bodies (ALBs) using Exchequer funding.
4. It does not apply to **formula grants** or **Grant-in-Aid**.
5. The term 'general grants' is broadly defined below, to assist identification:

General Grants: grants made by departments or their grant making ALBs to outside bodies to reimburse expenditure on agreed items or functions, and often paid only on statutory conditions. These are the grants, which are most closely related in administration to contract procurement, whilst remaining legally distinct.

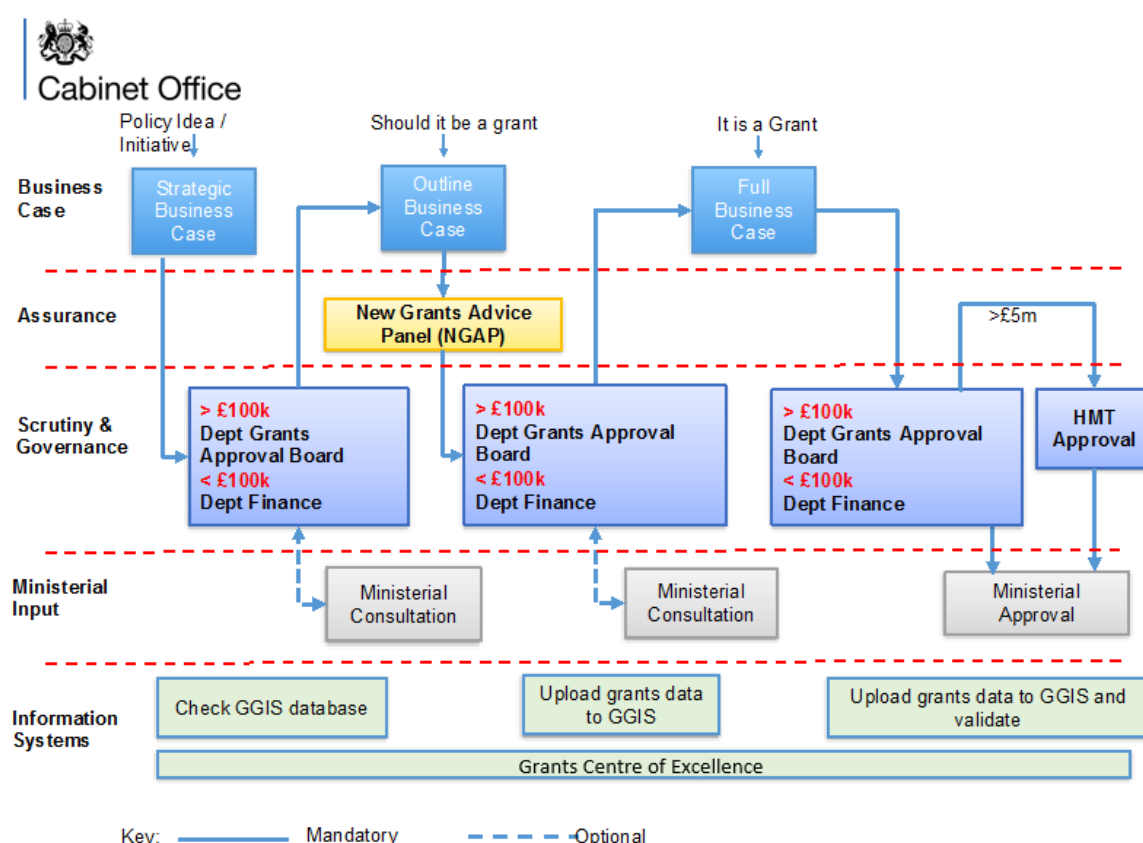
What?

6. This Standard is about ensuring that departments and their Arm's Length Bodies have in place a robust governance process, to ensure that appropriate scrutiny is given as grant models develop. The Standard also includes the requirement to provide grants data on the GGIS, at an early stage, in line with the GGIS Memorandum of Understanding (MoU) developed by the Cabinet Office and agreed by all grant funding departments. The MoU can be accessed via the **Centre of Excellence** accessible via the Grants Hub: <https://grantshub.civilservice.gov.uk/DataSolutionLogin> and via OneFinance: <https://www.epims.ogc.gov.uk/OneFinance/>.
7. The suggested governance process covers three stages, which are outlined in more detail below. The intention is to provide advice and direction as the grant develops. The stages are the:

Functional Standard for Government General Grants Guidance

- **Strategic Stage:** idea formulation;
 - **Design Stage:** developing the detail of the grant model; and
 - **Final Approval Stage:** including policy and financial approval.
8. Business Cases for grants should reflect the above stages and consideration of each area should be in proportion to the value of the grant and the perceived risk level.

Governance Model



9. The above '**governance model**' is illustrative and is intended to describe the process a grant should follow before final sign-off by finance. From the establishment of a Business Case at the strategic development stage, the grant flows through the process with sign-off at key decision points, either through formal meetings or via a virtual process.
10. The level of detail and consideration given to a grant will vary, proportionate to the value and level of risk. Considerations at each stage include, but are not limited to:

Strategic stage – idea formulation

- consider referral to the New Grants Advice Panel (NGAP) (see Standard Three);

Functional Standard for Government General Grants Guidance

- consideration of alternative delivery mechanisms (see Standard Four and the grants and alternative funding options note which can be found on the grants hub: <https://grantshub.civilservice.gov.uk/DataSolutionLogin>);
- value for money and optimum funding levels (see Standard Four);
- Consider whether competition or direct award is appropriate (see Standard Five); and
- definition of aims and objectives and outputs (see Standard Eight).

Design stage – developing the grant model

- grant agreement (see Standard Six);
- due diligence and fraud risk assessment (see Standard Seven);
- payment model and links to performance outputs/ outcomes (see Standard Eight);
- assurance, financial and delivery;
- defining eligible expenditure; and
- evaluation and lessons learned.

Final approval stage – financial approval

- recording of response(s) to advice from NGAP (Standard Three);
 - finalising the business case; and
 - sign-off.
11. The Senior Responsible Owner (SRO), or a person with delegated authority, should be involved in the process, ensuring that due regard is given to each area; that the details of the grant are entered on to the Government Grants Information System (GGIS) at an early stage; and that where appropriate, the grant has been referred to the NGAP. The GGIS data capture process is governed by a Memorandum of Understanding, which can be found on the Grants Hub.
12. The GGIS is covered by a Privacy Notice, to comply with GDPR legislation, which is reproduced below.

Privacy Notice for Government Grants Information System

This notice sets out how we will use your personal data, and your rights. It is made under Articles 13 and/or 14 of the General Data Protection Regulation (GDPR).

YOUR DATA

Purpose

The purpose for which we are processing your personal data is:

We will process the data for the purpose of managing the Government Grant Information System. The Government Grant Information System facilitates the recording and reporting of grant information across government, providing accurate data to enable departments to manage grants efficiently and effectively, while actively reducing the risk of fraud.

The data:

We will process the following personal data:

Name
Title
Contact Owner
Named SRO
Contact Owner
Mailing address
Phone
Reports to
Organisation
Email
User Role
Last modified date

Legal basis of processing

The legal basis for processing your personal data is that processing of this data is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the data controller. In this case that is our functions in relation to government grants, and the need to have a cross-government database to reduce fraud and make available transparency information about the award of government grants.

Recipients

Your personal data will be shared by us with Suppliers who provide the GGIS platform, and other government officials from public bodies with access to GGIS.

Functional Standard for Government General Grants Guidance

Personal data will also be held on our IT infrastructure, and thus shared with our data processors who provide email and document management and storage services to us.

Retention

Your personal data will be kept by us for the length of the grant.

YOUR RIGHTS

You have the right to request information about how your personal data are processed, and to request a copy of that personal data.

You have the right to request that any inaccuracies in your personal data are rectified without delay.

You have the right to request that any incomplete personal data are completed, including by means of a supplementary statement.

You have the right to request that your personal data are erased if there is no longer a justification for them to be processed.

You have the right in certain circumstances (for example, where accuracy is contested) to request that the processing of your personal data is restricted.

You have the right to object to the processing of your personal data.

INTERNATIONAL TRANSFERS

Our GGIS platform suppliers may transfer data outside the European Union. Where this is the case it will receive equivalent legal protection through the supplier's membership in the Privacy Shield scheme.

As your personal data is stored on our IT infrastructure, and shared with our data processors, it may be transferred and stored securely outside the European Union. Where that is the case it will be subject to equivalent legal protection through the use of Model Contract Clauses.

COMPLAINTS

If you consider that your personal data has been misused or mishandled, you may make a complaint to the Information Commissioner, who is an independent regulator. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF, or 0303 123 1113, or casework@ico.org.uk. Any complaint to the Information Commissioner is without prejudice to your right to seek redress through the courts.

Functional Standard for Government General Grants Guidance

CONTACT DETAILS

The data controller for your personal data is the Cabinet Office. The contact details for the data controller are: Cabinet Office, 70 Whitehall, London, SW1A 2AS, or 0207 276 1234, or publiccorrespondence@cabinetoffice.gov.uk.

The contact details for the data controller's Data Protection Officer are: Stephen Jones, Data Protection Officer, Cabinet Office, 70 Whitehall, London, SW1A 2AS, or dpo@cabinetoffice.gov.uk.

The Data Protection Officer provides independent advice and monitoring of Cabinet Office's use of personal information.

Early Market Engagement

What is Early Market Engagement?

13. Early Market Engagement is the process of contacting organisations outside of the government to gather information, which can help inform the design and development of grant awards. This does not imply commercialisation of the grant process, but rather is there to raise awareness of opportunities with relevant organisations. Care must be exercised to avoid giving any form of advantage during later stages such as applying for the grant.

Please note: It is important that you don't give any interested party, whether you speak to them or not, a competitive advantage by conducting Early Market Engagement. Please refer to the section below 'the risk of competitive advantage' on how to mitigate this. The BEIS State Aid panel should also be consulted where there is any doubt about compliance with the legislation, contact details can be found here: <https://www.gov.uk/guidance/state-aid>

Early Market Engagement can help you:

- increase understanding of / publicise the potential benefits of a grant scheme;
- write clearer requirements to inform potential applications;
- understand the value of the grant;
- understand the length of the grant's delivery period;
- write a stronger business case to underpin and manage the grants approval process;
- identify any innovative solutions to deliver the grant's objectives; and
- identify potential risks to the grant scheme.

Who could you be talking to?

- independent experts, for example, Universities, industry bodies, charities, etc.; and
- potential applicants.

Information you could give interested parties includes:

- your organisation's name and department;
- background to your organisation and the project/ scheme;
- what you want to achieve with a particular scheme/ grant;
- the phases you want them to give feedback on;
- the date you need them to respond by;
- where the work for any future project could take place;
- when you want the work to start;
- the information you want them to provide, for example, how much the work might cost, how many people it might involve and how long it might take; and

Functional Standard for Government General Grants Guidance

- any next steps.

14. The more detail you can give to potential parties about your requirements, the easier it will be for them to provide a thorough response.

How could you be conducting Early Market Engagement?

- conduct in-person events or conferences;
- written outreach and response; and
- idea competitions.

How could you advertise this opportunity?

15. It is recommended that departments consult their internal policies for advertising opportunities, but previous examples of good practice have included:

- gov.uk;
- online publications (Local / regional newspapers and specialist sector publications);
- social networks (Facebook, LinkedIn etc.); and
- summits / government speeches.

The risk of competitive advantage

16. As stated above, it is important that you don't give any interested party, whether you speak to them or not, a competitive advantage by conducting Early Market Engagement.

Legally, you have to:

- treat all parties equally;
- be transparent about what you need and the process you're following;
- ensure any requests for information you make are proportionate to your needs;
- share any relevant information from early market engagement in communications relating to the opportunity; and
- exclude an entrant if you think they might have an unfair advantage because of their involvement in early market engagement.

You must not:

- discriminate against any entrants, for example by writing your requirements in a way that unfairly excludes a particular entrant;
- share information about your requirements with one entrant if you're not going to share it with other entrants, for example tell one entrant your 'budget' if you're not going to publish it with your requirements for other entrants to see; or
- share an entrant's confidential information

Later Stage Market Engagement

17. Market engagement is the process of advertising a grant and designing its application to provide the relevant information in an accessible way. Market engagement helps to generate higher volumes of better applications, increasing the level of competition for any given grant and as such, value for money.

18. Three principals have been identified that are crucial to receiving high quality applications.

- I. **Awareness:** The extent to which potential recipients are aware of relevant funding opportunities (if organisations or individuals are unaware of opportunities, then they will not apply).
- II. **Accessibility:** Departments should consider how easy it is for potential applicants to find out where and how to apply for grants.
- III. **Application Submission:** How suitable the application process is to its grant (i.e. proportional to size of grant).

19. Under this model, departments should consider implementing the following principles captured in the figure below:

| | |
|----------------------|---|
| Awareness | Engage with relevant third party organisations to promote grant funding. As an example this could be through conferences. |
| | Make use of online advertising platforms such as news providers and social media. |
| | Use the official government news site (.gov) to increase awareness. Ensure that when doing this, a link to the application page is included in the article. |
| Accessibility | Make use of Search Engine Optimisation (SEO) techniques to ensure that their grant landing pages rank in the top three search result listing. |
| | Where possible, have a single landing page where information is delivered and applications can be made. Avoid having multiple links for the user to follow. |
| | Provide relevant information to produce a quality application, e.g. guidance documentation. |
| | Include a contact number/ email for further questions and queries |
| Application | Consider whether an online application form can be used. |
| | Ensure that where used, an online application form is suitably rigorous in its questions to deter low quality applicants. |

Functional Standard for Government General Grants Guidance

CASE STUDY: Department for Environment Food and Rural Affairs (DEFRA) 'Improving Productivity in Farming' grant

Awareness

- The 'Improving Productivity in Farming' grant has been advertised across a number of online publications, including the government website, The Dorset Echo, Farming UK and Tech Crunch.
- DEFRA speech at the World Dairy Summit held in the UK.
- Increasing awareness of the grant via the Farmer's Business Network; also reported by Tech Crunch online.

Accessibility

- When 'improving farming productivity' is searched in Google, the official government grant landing page is the first result.
- The landing page is the only click through required to apply for a grant; there are no further websites or links that must be followed in order to reach the application point.
- The landing page contains specific documents that provide detailed information on how to apply for the grant.
- A contact number is provided to assist those applying.

Application

- Application is made via an online application form.
- The requirements of the form are sufficiently rigorous, including information on financial budgets and predicted project timelines.