

RURAL DEVELOPMENT PROGRAMME 2014-2020

Farm Business Improvement Scheme – Capital Tier 1 (Tranche 2)

Guidance on how to complete a hard copy application form

If you need additional guidance on how to complete a hard copy application form please contact Countryside Services Ltd on 0845 026 7535.

The award of funding under the Farm Business Improvement Scheme – Capital (FBIS - C), Tier 1 (Tranche 2) is a competitive process. 11 marks will be awarded to those applications that are made online. If you chose to complete a hard copy application, no marks will be awarded. Over 98% of applicants to FBIS – C Tier 1 (Tranche 1) submitted their application online and we would encourage applicants to submit their Tranche 2 application online.

Preparation

You will need the following pieces of information about the farm business:

- The DAERA Category 1 Farm Business Identification Number (FBID);
- The applicant's name, date of birth and educational attainment in agriculture/horticulture;
- The address and postcode for correspondence and also the address of the main farm business if different from the postal address; and
- The total area of land farmed (including conacre) broken down by land type, in hectares.

Question 1 – Applicant Details

(a) Please provide the six digit DAERA Category 1 FBID. (This number is unique to the farm business and falls within the range 600000 and 699999. The first digit is already entered.).

(b) to (e) Please provide the applicant's name, address (including postcode), telephone number and e-mail address (if available). Only an application in the name of a registered member of the farm business, holding the DAERA Category 1 Farm Business ID as stated at 1(a), will be eligible. The address, telephone number and e-mail address where the applicant can normally be contacted should be given.

The applicant's mobile phone number is preferred. If a mobile number is available, please provide it as Countryside Services Ltd may use it to send text messages and reminders relating to the application.

If the farm has a separate company or business name this should be entered at 1(c).

(f) If the main farm business is located, or if the items to be purchased under the scheme, will be routinely kept at a different address from the contact address provided at 1(d), then please provide details of the other address. Only farm businesses located within Northern Ireland are eligible for support.

Question 2 – Documents required with your application

The following documents **must be provided** with this application form otherwise the application will be deemed ineligible:

Making it Safer – Risk Assessment Certificate - The 'Making it Safer' Risk Assessment can be completed online at www.farmsafenet.org/safer. A copy of the

Certificate can be printed out on completion of the 'Making it Safer' Risk Assessment. This Certificate should be attached to the application form.

The Certificate must contain the name of the registered farm business member who completed the Risk Assessment along with the Category 1 FBID associated with the application.

Indication of Support Letter – Applications will only be accepted from farm businesses where a properly completed Indication of Support Letter is supplied. The letter must be signed and dated by a representative of the applicant's bank or other lending institution. A template letter is included in this information pack.

The letter must contain the name of the registered farm business member who completed it, the name of the Bank or Lending Institution and the DAERA Category 1 FBID number associated with the application. An indication of the amount of funds the bank or lending institution would be willing to provide to support the project should also be provided. A copy of the completed letter should be attached to the application form.

Question 3 – EU Grant support and VAT Registration

(a) Need for EU Grant

EU funding is only awarded to projects that are dependent upon and which could not proceed without the grant made available from the Rural Development Programme (RDP). To help gauge the need for grant, please indicate what would happen if grant is refused. Projects that would go ahead as planned without grant will not be eligible. Tick one box only.

(b) Other Funding

Article 48 of Commission Implementing Regulation (EU) No 809/2014 requires checks to be carried out with reference to irregular double funding with other EU or National Schemes or to any previous co-financed operations since 2007. Therefore you must advise about any other EU grant assistance your farm business has received since 2007. Applications will be screened for previous or current awards to ensure the maximum grant ceilings are not exceeded or that double funding of items does not occur. Information may also be shared with other funders to prevent duplication of funding and to ensure that the maximum benefit is achieved from financial support awards.

(c) VAT Registration

Please indicate if the farm business is VAT Registered. If it is not registered for VAT please indicate if grant is to be claimed for the VAT element of the project as non-recoverable tax. If the application is successful, a signed declaration that the farm business is not registered with HM Revenue and Customs for the purpose of recovery of VAT will be required. Please see Section 4 of the Farm Business Improvement Scheme – Capital (FBIS-C), Tier 1 (Tranche 2) Explanatory Booklet.

Question 4 – Generational Renewal, Educational Attainment and EU Monitoring

(a) Generational Renewal

Please indicate if the applicant named on the farm business, was 40 years of age or less on 3 January 2018.

If an applicant is 40 years of age or less on 3 January 2018, marks will be awarded under the 'Age of Applicant' selection criterion. If the application is successful a copy of the applicant's birth certificate, passport or driving licence must be enclosed with the 'Form of Acceptance' of the Letter of Offer. The original documentation providing proof of the date of birth of the applicant must be available for examination during any on farm inspection visit.

(b) Educational Attainment

Please indicate if the applicant named on the farm business, holds a level II qualification in agriculture or horticulture. The qualifications obtained must also be stated.

Where this is the case, marks will be awarded under the 'Educational Attainment' selection criterion. If the application is successful a copy of the applicant's qualification certificate must be enclosed with the 'Form of Acceptance' of the Letter of Offer. The original certificate documentation providing proof must be available for examination during any on farm inspection visit.

(c) to (g) EU Monitoring Information

The EU requires DAERA to monitor how the FBIS- C will impact on the rural community.

All of these questions must be answered.

Question 5 – Project and Business Plan Details

(a) Before completing the project details table at Question 5, please refer to the FBIS-C, Tier 1 (Tranche 2) List of Eligible Items included in the scheme information pack. Only items listed may be included. Grant will only be paid on the purchase costs of individual **new items** up to the maximum amount payable for each item which is indicated against each item on the list. This amount is exclusive of VAT.

Each eligible item has an associated unique 'Item Code'.

At Column A – enter the relevant Item Code

At Column B – enter the quantity of the item you wish to purchase.

Please note that some items have a minimum purchase quantity. You will not receive an offer of grant for this item if you apply for less than the minimum purchase quantity.

At Column C – enter the total amount of grant available for this multiplied by the quantity sought. **This total amount must not exceed £12,000.**

(b) Total Maximum Grant available for items in Column C

At the bottom of Column C – enter the total amount of grant for all the items for which grant is sought. **Total financial support for FBIS-C Tier 1 applications cannot exceed £12,000.00 and cannot be below £2,000.00, before applying the Value for Money criterion. If the applicant was successful under FBIS-C, Tier 1 (Tranche 1), any payment made or due for eligible expenditure under Tranche 1, plus any amount applied for under Tranche 2 must not exceed £12,000.00.** This is the actual maximum amount available for the number of items chosen, not the amount sought for each item type.

(c) Total Grant Sought

Up to 20% below the maximum amount of grant for all chosen items can be entered, based on proposed lower project costs, in exchange for additional selection criteria points. 1.95

marks will be awarded for each 1.00% of grant sought below the maximum grant allowed up to a maximum of 39 marks.

(If on completing the application form, it is found that the total amount of grant available before adding any Value for Money Criterion exceeds £12,000, please remove an item to ensure that the total amount of grant available is reduced to no more than £12,000). Also any FBIS-C Tier 1 (Tranche 1) funding that may have been received or is to be received must be taken into account. Grant assistance in any one tranche or across tranches of Tier 1 cannot exceed £12,000.

- Worked examples of how to complete Question 5 are attached at **Annex A**.
- Selection Criteria Scoring for FBIS-C Tier 1 (Tranche 2) is attached at **Annex B**.

Only apply for items that are to be purchased. If the application is successful and grant to purchase an item is offered but not used, a penalty may be applied to the claim. It may also affect any future applications to the Scheme. Refer to section 11 of the FBIS-C Tier1 (Tranche 2) Explanatory Booklet for further information on Penalties and Reductions.

(d) Potential Project Benefits

This section forms the Business Plan so it must be completed for the application to be deemed eligible. It does not affect how many marks are awarded to the application.

- **In Column A** – List the Item Codes of the relevant items to be purchased
- **In Column B** - Enter an estimate of the annual time use of the items will save in hours
- **In Column C** – Enter an estimate of the annual amount use of the items will save in £.
- **In Column D** – Enter an estimate of the extra annual income generated by use of the items in £.
- **In Column E** – Estimate the payback in years. This is the amount of time it would take for the investment to pay for itself. For example if the full ex VAT cost of an item before grant was £3,000 and you were saving / making an estimated £500 extra per year as a result of purchasing it then your payback would be 6 years ($£3,000 / £500 = 6$ years). This needs to be estimated for each item applied for.

(e) Rank the Potential Project Benefits

The potential benefits that the project will bring to the farm business must be ranked in order of importance with 1 being the main benefit and 9 being the least benefit. This section does not affect the scoring of an application.

Question 6 – Declaration

Please read this section carefully before signing the application. False declarations may lead to disqualification from the Programme, liability to refund any payment that is made and possible prosecution. Some or all of the information provided in this application may be disclosed under the Freedom of Information Act 2000.

Please note that for monitoring purposes pre-project and post-project investment accounts which have been produced by a professionally qualified accountant may have to be made available at some time in the future. Participation in monitoring and evaluation of the

scheme may also be required. Failure to make these accounts available or participate in scheme monitoring and evaluation, if requested, will result in withdrawal or repayment of FBIS-C grant.

The application form must be signed by the applicant. It is recommended that a copy of the completed application form is kept for future reference.

Completed hard copy applications must be received by Countryside Services Ltd on or before the closing date (4pm on 2 February 2018). Applications received after the closing date will not be accepted.

Worked example for completing Question 5 (Project and Business Plan Details) of the hard copy FBIS –C, Tier 1 – Tranche 2 Application Form

Example 1

An applicant has requested, based on lower project costs, £1,500 below the maximum grant of £12,000 which could have been claimed and has **correctly** completed Question 5(a)

Column A	Column B	Column C
Item Code	Quantity	(£) Total grant available per item x by the quantity sought
E	1	£2,500
F	10	£2,500
G	14	£3,000
H	1	£4,000
5(b) Total maximum grant available for items in Column C		£12,000
5(c) Total grant sought. This may be between 80% and 100% of the value of 5 (b) above. 1.95 marks will be awarded for each 1.00% of grant sought below the maximum grant allowed up to a maximum of 39 marks.		£10,500

Example 2

An applicant has requested £500 above the maximum grant available of £12,000 and has **incorrectly** completed Question 5(a). (The total of any grant paid under Tranche 1 and grant sought under Tranche 2, after the Value for Money selection criterion is applied, must not exceed £12,000 otherwise the application will be deemed ineligible).

Column A	Column B	Column C
Item Code	Quantity	(£) Total grant available per item x by the quantity sought
E	1	£2,500
F	5	£1,250
G	14	£3,000
H	1	£4,000
5(b) Total maximum grant available for items in Column C		£12,000
5(c) Total grant sought. This may be between 80% and 100% of the value of 5 (b) above. 1.95 marks will be awarded for each 1.00% of grant sought below the maximum grant allowed up to a maximum of 39 marks.		£12,500

Applicant has sought less than the minimum purchase quantity. In this case the minimum is 10.

Applicant has entered a higher total grant amount than the total for the items in Column C. This total comes to £10,750. Applicant is also seeking grant above £12,000

ANNEX B

Selection Criteria Scoring for FBIS-C Tier 1 (Tranche 2)

A minimum score of **40** is set, below which an application will not be considered for funding

Selection criteria	Score given to application	Guidance on allocation of score
Alignment with FBIS Themes Score based on how the selection of item meets FBIS themes. Eligible items pre-selected (maximum 40 marks)	40	All items on FBIS application “Band 1”
	34	One item or more on FBIS application “Band 2” - no band 3 items
	28	One item or more on FBIS application “Band 3” Note: The mark awarded under this criterion will be the lowest band applied for.
Value for money (maximum 39 marks) Total of all items applied for will be used to calculate this score	39	Grant sought 20% or more below maximum grant allowed for item(s).
	Marks allocated pro-rata to 2 decimal places between these. (1.95 marks awarded for each 1.00% of grant sought below the maximum grant allowed).	
	0	Maximum grant allowed for item(s) sought.
Online application (maximum 11 marks)	11	Application and supporting documents (<i>Making it Safer</i> risk assessment certificate dated on or after 01 December 2017 and Indication of Support Letter from a Bank or other Lending Institution dated on or after 11 December 2017) submitted online.
	0	Application and supporting documents (<i>Making it Safer</i> risk assessment certificate dated on or after 01 December 2017 and Indication of Support Letter from a Bank or other Lending Institution dated on or after 11 December 2017) submitted on paper.
Age of farmer	5	Applicant is 40 years or less on 3 January 2018 and is named on the DAERA Category 1 Farm Business ID number.

(maximum 5 marks)	0	Applicant is over 40 years of age on 3 January 2018.
Educational attainment (maximum 5 marks)	5	Applicant has an appropriate agricultural or horticultural qualification (Level II or equivalent).
	0	Applicant does not have an appropriate agricultural or horticultural qualification