

Identifying Capital Expenditure for grant purposes.

The council has made capital funding via the UK Shared Prosperity Fund (UKSPF) intervention E29: Supporting decarbonisation and improving the natural environment whilst growing the local economy, available to local organisations to support decarbonisation projects.

The UK Shared Prosperity Fund aims to improve pride in place and increase life chances across the UK investing in communities and place, supporting local business, and people and skills. For more information, visit www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus.

This scheme will provide capital funding to:

- Support implementation of decarbonisation plans, including purchase of equipment, premises adaptations, and net-zero infrastructure.
- Projects supported will help support businesses to lower greenhouse gas emissions and adopt new processes and / or technologies.

Capital expenditure includes expenditure on non-current assets such as land, buildings, and plant and equipment. To us, a long-term asset must have a life of at least five years.

Monies spent on the project must be recorded as capital expenditure in the grant recipient's end of year accounts.

We will only fund capital expenditure from this scheme like buying, building, replacing or making improvements to long term assets (buildings and equipment). We are unable to consider projects that only maintain an asset, e.g. general repairs.

Below are some examples of expenditure, explaining why they qualify as capital spend:

Project type	Is it capital expenditure?	Reason
Construction of new building	Yes	<ul style="list-style-type: none"> • It is a creation of an asset
Purchase of land/building	Yes	<ul style="list-style-type: none"> • Acquisition of an asset, which will provide a long term benefit
Building conversion	Yes	<ul style="list-style-type: none"> • Enhancement of an existing asset
Replacement windows	Yes	<ul style="list-style-type: none"> • Purpose of improved energy efficiency or building enhancement • If the project covers a number of windows replaced rather than 1 or 2

New white goods	Yes	<ul style="list-style-type: none"> • If the project is for a complete refurbishment of an asset, new white goods can be included. • Enhances the current asset
Solar panels	Yes	<ul style="list-style-type: none"> • Purpose of improved energy efficiency • Creation of an asset
Tree planting or rewilding of an area	Yes	<ul style="list-style-type: none"> • Creation of an asset
Investment in new energy saving measures	Yes	<ul style="list-style-type: none"> • Purpose of improved energy efficiency • Enhances the asset
Electronic hardware (eg: laptops, iPads & monitors)	Yes	<ul style="list-style-type: none"> • New assets that provide benefit for more than a 5 – 10 year term
Development of software (eg: a new website)	Yes	<ul style="list-style-type: none"> • Software that has been developed or purchased by an entity is normally regarded as an intangible asset.
Electric vehicles	Yes	<ul style="list-style-type: none"> • Purpose of improved energy efficiency • Creation of a new asset
Project managers/contractors	Yes	<ul style="list-style-type: none"> • As required to carry out the creation/enhancement of an asset

Below are some examples of expenditure, explaining why they will not qualify as capital spend:

Project type	Is it capital expenditure?	Reason
Repairs to boiler after breakdown	No	<ul style="list-style-type: none"> • Repairs only maintain the asset • yes, if the project is purchasing a new boiler or replacing with a more energy efficient model
Replacing roof tiles	No	<ul style="list-style-type: none"> • Repairs only maintain the asset • yes, if a whole new roof which will extend the use of the building and can improve the building's energy efficiency
Signage	No	<ul style="list-style-type: none"> • If internal signs for the building such as, 'fire exit' or a 'no smoking' then no • If the signage is there to promote the use the building (directions to the building) then it can be supported
General ground or building maintenance (includes painting and decorating)	No	<ul style="list-style-type: none"> • Only maintains the asset • yes, if part of a new build or large scale refurbishment
Funding training classes	No	<ul style="list-style-type: none"> • No asset is being created