

[REDACTED]

11 March 2021

Dear [REDACTED],

Freedom of Information request: FOI2021/00034

Thank you for your Freedom of Information request received on the 25 January and clarification of 18 February in which you requested the following:

Your request:

I am requesting under the Freedom of Information act the following, to aid with my understanding of the current process for assessing and determining an organisations considered in financial difficulty during the due diligence period of application assessment pertaining to Innovate UK led competitions.

With the update of the Subsidy control, under-takings-in-difficulty is lost as a definition, and instead replaced with "financial difficulty".

Please can you supply the following to advance the very useful information supplied within FOI2020/00308:

- 1) A detailed step-by-step description of the process decision pathway followed by the employee/representative performing the Subsidy control financial tests of the organisation.*
- 2) The updated decision flow chart (or equivalent) including trigger points for Subsidy financial testing, and the request parameters for further information*
- 3) The updated training documentation provided to IUK employees for performing Subsidy control testing.*
- 4) Any updates to the IUK SOP "Policy - Undertaking in Difficulty (UID)" since 10 Nov 2020; or its equivalent replacement SOP if it has been since superseded.*
- 5) If there are no changes to the above process further than that outlined within FOI2020/00308, any internal email communications pertaining to the time frame of development of a new/updated Due Diligence process(es).*

What I am looking for information on is with the withdrawal bill in place; the changes that this will bring to the IUK due diligence process, in the near - medium term.

Internal email communications of Innovate UK, from 31.5.20 to present should capture this time frame.

In terms of keywords, happy to be guided on here, my thoughts would be along the lines of:

*Replacement to current UID process
Changes to the due diligence process
State Aid
State Aid Assessment
Subsidy Control
Requirements / terms and conditions*

Our response:

I can confirm UK Research and Innovation (UKRI) does not hold the information relevant to your request. Please see the information below.

As we advised in our communication on 11 February, there have been no changes to the processes outlined within our response to FOI2020/00308 and therefore, there is nothing further to add in response to questions 1-4.

With regard to question 5, we estimate that the cost of complying with your request would exceed the appropriate statutory limit as specified within Section 12 of the FOIA which for UKRI is set at £450. This represents the estimated cost of 18 hours of staff resource on locating, retrieving and extracting the information.

In an attempt to gather the requested information, we conducted a search of all internal email communications of Innovate UK (IUK) from 31 May 2020 to 24 February 2021 using the keywords and phrases you suggested. This returned 414,939 results. To review each email for information relevant to your request, assuming 2 minutes per email, would take in excess of 13,000 hours.

Under our duty to advise and assist, we sought further advice from members of the IUK Subsidy Compliance team for appropriate phrases that may help to narrow down this search. Under their recommendations we ran an additional email search for the each of following phrases:

“time frame of new Due Diligence process”
“time frame for new Due Diligence process”
“time frame of replacement of current Innovate UK UiD process”
“time frame of replacement to current Innovate UK UiD process”
“time frame for replacement of current Innovate UK UiD process”
“time frame for replacement to current Innovate UK UiD process”
“time frame of changes to the due diligence process”
“time frame for changes to the due diligence process”
“time frame for changes to current Innovate UK State Aid Assessment process”
“time frame of changes to current Innovate UK State Aid Assessment process”
“time frame of changes to current Innovate UK State Aid due diligence process”
“time frame for changes to current Innovate UK State Aid due diligence process”
“time frame of changes to current Innovate UK Subsidy Control Assessment process”
“time frame for changes to current Innovate UK Subsidy Control Assessment process”
“time frame of changes to current Innovate UK Subsidy Control due diligence process”
“time frame for changes to current Innovate UK Subsidy Control due diligence process”
“time frame of changes to current Innovate UK Subsidy Control due diligence requirements”
“time frame for changes to current Innovate UK Subsidy Control due diligence terms and conditions”
“time frame of changes to current Innovate UK Subsidy Control due diligence requirements”
“time frame for changes to current Innovate UK Subsidy Control due diligence terms and conditions”
“time frame of changes to current Innovate UK due diligence requirements/terms and conditions”
“time frame for changes to current Innovate UK due diligence requirements/terms and conditions”
“time frame of changes to current Innovate UK due diligence terms and conditions”
“time frame for changes to current Innovate UK due diligence terms and conditions”
“time frame for development of new Due Diligence process”
“time frame of development of new Due Diligence process”
“time frame for development of updated Due Diligence process”
“time frame of development of updated Due Diligence process”
“time frame of Post-Brexit Due Diligence process”
“time frame for proposed Due Diligence process”

This email search returned no results. This has led us to conclude that the information you are requesting is too niche within a much broader subject and that trying to identify this information through a search of IUK's internal email communications would exceed the appropriate statutory limit.

Consequently, UKRI is not obliged under Section 12 of the FOIA to process this section of your request further.

However, in the course of our investigations into your request, the IUK Subsidy Compliance team were able to provide us with some additional information pertaining to your request:

Timelines and any changes to the due diligence process, if necessary, will depend on the Department for Business, Energy & Industrial Strategy (BEIS) and the outcome of its consultation period discussions.

IUK is one of many public funding bodies which have been invited to participate in the BEIS consultation process "Subsidy control - Designing a new approach for the UK", the closing date for which is 31 March 2021.

Further information on the BEIS [open consultation](#)¹ and [supporting documents](#)² are already available in the public domain.

IUK will be contributing to the consultation process, but is not able to share this information as the process is confidential. The Subsidy Control policy developed by BEIS as a result of the consultation process will be published by them in due course.

If you have any queries regarding our response or you are unhappy with the outcome of your request and wish to seek an internal review of the decision, please contact:

Head of Information Governance

Email: foi@ukri.org or infogovernance@ukri.org

Please quote the reference number above in any future communications.

If you are still not content with the outcome of the internal review, you may apply to refer the matter to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the review procedure provided by UKRI. The Information Commissioner can be contacted at: <http://www.ico.gov.uk/>

If you wish to raise a complaint regarding the service you have received or the conduct of any UKRI staff in relation to your request, please see UKRI's complaints policy: <https://www.ukri.org/about-us/policies-and-standards/complaints-policy/>

Yours sincerely,


Information Governance
Information Rights Team
UK Research and Innovation
foi@ukri.org | dataprotection@ukri.org

¹ <https://www.gov.uk/government/consultations/subsidy-control-designing-a-new-approach-for-the-uk>

² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/957958/subsidy-control-consultation-document.pdf