



East Cambridgeshire District Council

UK Shared Prosperity and Rural England Prosperity Business Grants Funding 2025

1. Guidance & Introduction

Two grant funds are currently available to support businesses, each following similar application and evaluation processes. These funds aim to provide financial assistance to eligible applicants. For detailed information on timelines, eligibility, and application steps, please see the information below:

The programmes are open to any existing SME business with a turnover of under £1 million located in the East Cambridgeshire district.

All applicant businesses must have in place a business plan. The following is a list of things the business plan should include.

- Demonstrates plans to grow the business
- How funding will be used to support this growth
- Where applicable how funding will support job creation including apprenticeships
- How the funding will support the business to respond to market changes
- A clear delivery plan for the project that funding is supporting
- How the funding will be of benefit to the wider local economy e.g. supply chains

2. Businesses who are not eligible

The following is a list of the types of businesses who are ineligible to apply for a grant.

- Businesses not based in East Cambridgeshire
- Businesses that have an annual turnover of more than £1 million
- Business that has received grant payments that equal the maximum permitted levels of UK Subsidy Control. (See below for more details) (All applicants will be required to complete a Minimum Financial Assistance (MFA) declaration as part of their application)
- Businesses that are in administration, insolvent or when a striking off notice has been made
- Intermediaries or agents acting on behalf of other businesses
- Businesses that only exist to operate investment funding and other types of finance
- Charities (unless applying through a trading arm that meets the above requirements)

3. Eligible Activities



To be considered eligible, projects will be required to deliver at least one or more of the outcomes in the list below:

- Create or safeguard jobs
- Utilise new technologies or processes within the business
- Bring new products to market
- Demonstrate improvement in business productivity

In addition, the following listed criteria apply to expenditure:

Eligible capital expenditure:

- Purchase of machines and associated tooling
- Purchase of equipment that enhances productivity including technology and IT equipment (this includes associated software)
- Renovation/repurpose of buildings and building of new premises (NB planning consent must be in place at the time of the funding application).

Eligible revenue expenditure:

- Website redevelopment
- Training
- Marketing and promotional campaigns
- Research

What the programme cannot support is listed below:

- Payment of expenditure prior to the funding agreement date
- Paying off debts or refinancing
- Direct staff costs – salaries, travel, or subsistence
- General business overheads and costs (i.e. rent and rates, utilities)
- The cost of any statutory, legislative obligations or other duties or requirements associated with the business)
- Non-bespoke business software (e.g. recurring/ongoing license agreements like Microsoft Office)

4. Grant Funding Levels and Intervention Rates.

4.1 Business Growth Fund

A total of £164,750 is available in grant funding, divided between revenue and capital expenditure:

- **Revenue Funding:** £77,000
- **Capital Funding:** £87,750

The minimum award available to any successful applicant is £2,000 and the maximum award is £7,500. Access to grant funding for those businesses who are approved will be up to a maximum of 60% of total the total project cost as part of the Full Application process. For example, if a project costs £5000, the maximum grant



contribution would be £3000. In addition, applicants will need to demonstrate that all project funding is in place.

4.2 Rural England Prosperity Fund:

A total of £195,716 is available in capital grant funding through the Rural England Prosperity Fund:

Capital Funding: £195,716

The minimum award available to any successful applicant is £5,000, and the maximum award is £15,000. Access to grant funding for approved businesses will be up to a maximum of 60% of the total project cost, as part of the Full Application process.

For example, if a project costs £10,000, the maximum grant contribution would be £6,000. Applicants must demonstrate that all project funding is in place at the time of application.

Please note: Only capital items listed in Section 3 under ‘Eligible capital expenditure’ may be purchased using this funding.

5. Procurement of Equipment & Services.

Grants must be claimed within the agreed timetable outlined in the Grant Funding Offer. No commitment can be made by a grant applicant to a supplier of goods or services before a formal offer of funding has been agreed and confirmed in writing. Funding cannot be awarded for retrospective payments.

All grant payments are made as reimbursements to the applicant subject to the satisfactory provision of proof of expenditure as outlined in the grant funding agreement.

Net costs (excluding VAT) must be used when calculating the project value and submitted as such in the Funding Application form. Gross costs (including VAT) will be permissible where a business is for whatever reason unable to reclaim VAT, (i.e. not VAT registered).

It is expected that applicants will provide three written comparable quotes for individual items of expenditure that exceed £5,000. It will be expected that the cheapest quotation will be selected as the preferred supplier. If the preferred supplier is not the cheapest quote a rationale must be provided with the Funding Application. Any expenditure incurred before the receipt of the formal offer letter is entirely at the applicant's own risk and is deemed ineligible expenditure for grant assistance.

6. Application process.



All capital and revenue grants will require an Expression of Interest (EOI) to be completed.

EOI's will be assessed for completeness and eligibility by the Economic Development team. The EOI will include a supporting statement (maximum 250 words) explaining why the applicant should receive the grant. The EOI will be scored against a standard scoring framework. If an EOI meets the minimum threshold the applicant will be invited to submit a Funding Application form.

Should an applicant be deemed ineligible for funding, they will be notified by email. The decision will be final.

Advice and guidance will be provided by the Economic Development team to applicants in completing their Funding Applications. Any enquiries regarding guidance should be directed to: Rory.Thompson@eastcambs.gov.uk

Funding Applications and any supporting information will be reviewed for completeness by the Economic Development team. Points for clarification will be made by email to the applicant and responses noted and included as part of the Funding Application.

Applicants will be informed within four weeks of receipt of their full Application as to whether they have been successful, and the value of the grant awarded. A formal Grant Funding Agreement will be issued and must be signed and returned by the applicant before any expenditure on the project detailed in the Funding Application can be committed or incurred.

The decision is considered final.

The Grant Funding Agreement will specify monitoring and reporting requirements specific to the outputs and outcomes of the successful project. This will include where appropriate evidence of:

- New jobs created.
- Jobs that have been safeguard or sustained.
- New products or techniques implemented.
- Demonstrate improvement in business productivity.

All successful applicants will be required to provide a project completion report as specified in the grant funding agreement.

Please note: Grant funding is limited and will be allocated on a first-come, first-served basis to eligible applications that meet the required threshold. An Applicant Journey diagram is attached at the end of the document, along with a timeline for the Expression of Interest, and Full Application stages.

7. Fixed & Major Assets

Where a funded project involves the purchase of a major fixed asset, the beneficiary must maintain an asset register. The asset register can be specific to the project or



be included in a corporate asset register. The beneficiary will need to consult with the council regarding the disposal of any said asset within three years of the grant award. A fixed asset will be considered as £2,000 or more for equipment (excluding IT), machinery or £1,000 for IT equipment.

8. Advice on Taxation

Grant income received by a business is taxable therefore funding paid under these grant fund will be subject to tax where applicable to the business.

9. UK Subsidy Control

As per 3, to be eligible for a grant, all applicant businesses must demonstrate that they meet the UK Subsidy Allowance rules by completing the MFA declaration – grants can only be awarded to compliant businesses.

It is a requirement of UK Subsidy Allowance rules that a grant may only be awarded when it produces an incentive effect. The grant is considered to have an incentive effect if it enables the beneficiary to carry out activities or projects which would not have been carried out in the absence of the grant aid. Grant funding may only be awarded if it has an incentive effect. It shall be considered to have an incentive effect if, before work on the project has begun, the intermediary, (East Cambridgeshire District Council), has verified that documentation prepared by the applicant establishes one or more of the following listed criteria:

- A material increase in the size of the project due to the aid
- A material increase in the scope of the project due to the aid
- A material increase in the total amount spent by the beneficiary on the project due to the aid
- A material increase in the speed of completion of the project concerned; or that the project would not have been carried out in East Cambridgeshire in the absence of the aid
- The applicant must also be able to demonstrate additionality convincingly, confirming that without grant assistance the project would not be undertaken or, with reference to the scale, timing, or location -any payment to an applicant will impact the applicant's project such that one or more of the following list will apply:
 - A material increase in the size of the project/activity due to the provision of State Funds
 - A material increase in the scope of the project/activity due to the provision of State Funds
 - A material increase in the total amount spent by the beneficiary on the project/activity due to the provision of State Funds or a material increase in the speed of completion of the project/activity concerned
 - With regards to regional aid, that the project would not have been carried out as such in the location concerned in the absence of the State Funds



More information on UK Subsidy Control can be found [here](#).

10. Fraud

As part of the application process, due diligence checks will be carried out for all applicants. These will include credit checks, bankruptcy, county court judgements and director disqualifications.

Any business caught falsifying their records to gain grant payments may face prosecution and any funding issued will be subject to claw back, as may any grants paid in error. Applicant businesses will be expected to complete a declaration that confirms the applicant has:

- Read and understood all documents about these Funds, including all information about eligibility.
- Provided true, accurate and complete information to support the application.
- Understood that, by giving wrong or incomplete information, which is known to be misleading, the applicant may be committing a criminal offence and could face prosecution.
- Understood that ECDC will investigate all applications where they suspect fraud, will check all the information the applicant provides and may ask for further details if necessary and they agreed to repay any money that they receive to which they are not entitled.
- ECDC may utilise due due-diligence tools such as the Government's Grant Management and Counter Fraud digital assurance tool, Spotlight, to check pre pre-payment and post post-payment compliance.
- Businesses must inform ECDC of any changes in circumstances that might affect eligibility for grant payment(s). Failure to do this could lead to grant claw back.
- Provided accurate details regarding previous grant funding received in regard to subsidy control legislation.

East Cambridgeshire District Council will reserve the right to visit any business that has been awarded a grant to ensure it has been used for the purpose it was intended as stated in the FA form and check records to show costs that have been incurred in line with the grant funding agreement.

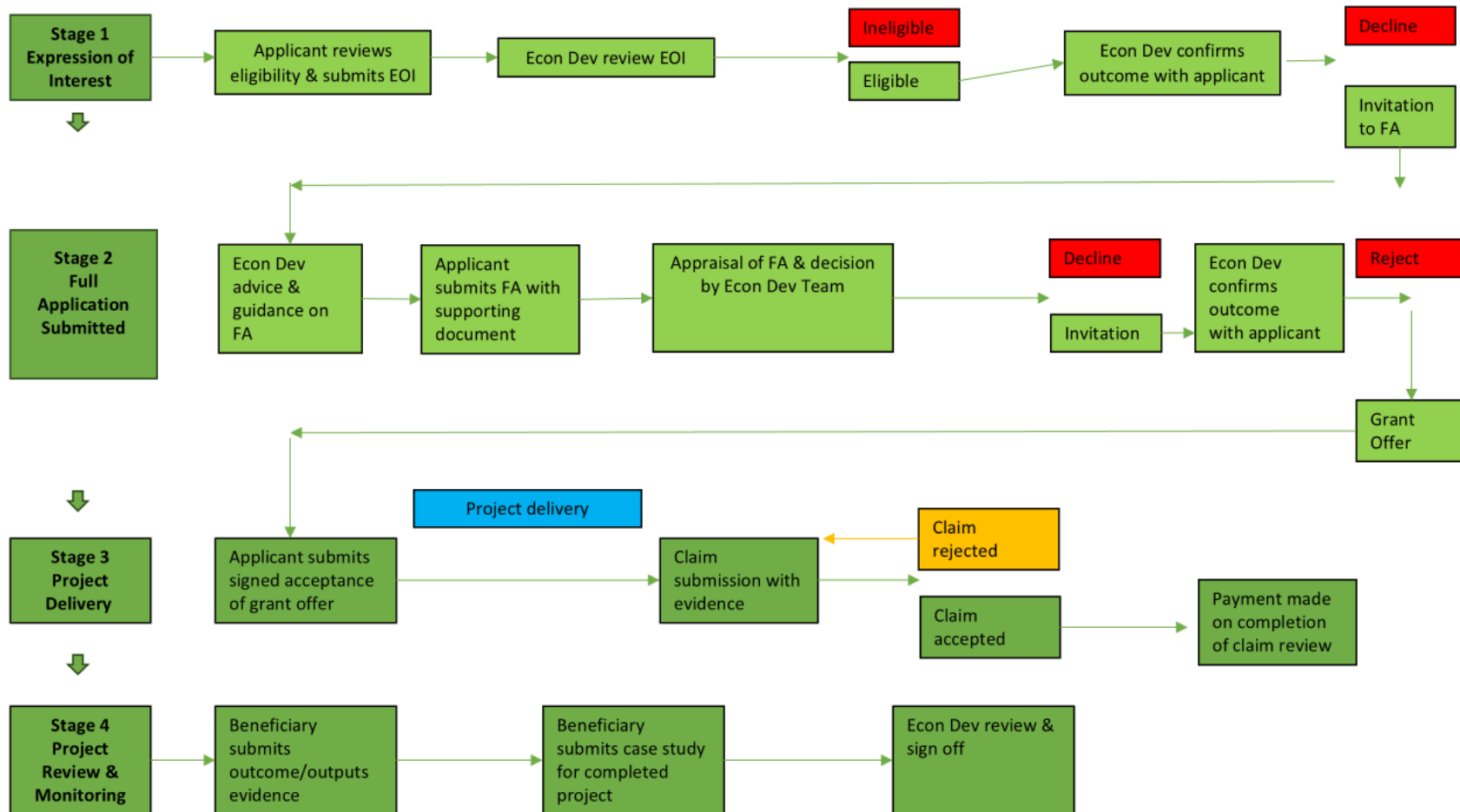
12 Publicity

Decisions relating to the allocation of funding will be published on the East Cambridgeshire District Council website.

In promoting the project successful applicants should acknowledge the award of the grant via the East Cambridgeshire District Council. Additional guidance will be provided to successful applicants on branding and publicity for UK Government levelling up funds at as part of the Grant Funding Agreement.



Applicant Journey





Business Growth Fund 2025 Timeline:

<u>Date</u>	<u>Stage</u>	<u>Notes</u>
July 7th	Expression of Interest (EOI) Opens	
August 1st	Expression of Interest (EOI) Closes	Businesses may progress earlier if approved.
August 2–22nd	Full Application Submission Period	
August 22nd	Full Application Closes	Official deadline unless funding is already exhausted.
September 5th	Final Decisions Announced	

Rural England Prosperity Fund 2025:

<u>Date</u>	<u>Key Action</u>	<u>Notes</u>
TBA	To Be Announced	Details forthcoming