

TITLE: Business Grant Scheme

Committee: Finance & Assets Committee

Date: 25 June 2026

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Report number: AB30

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Issue

1. To approve the council's proposed Business Grant Scheme as set out in Appendix 1.

Recommendations

Members are requested to:

2. Approve the proposed Business Grant Scheme as detailed in Appendix 1
3. Agree that the Business Grant Scheme will open on 6 July 2026, with all projects to be completed by 31 January 2027.
4. Agree that when the funding is fully utilised, the Council reserves the right to close the scheme to any further applications.

Background/Options

5. A total budget of £18,980 has been carried forward from the 2024/25 Capital Growth Fund, following the completion of previous capital-focused grant projects which did not fully utilise the allocated funding.

Arguments/Conclusions

6. The proposed scheme provides an effective mechanism to utilise the remaining Capital Growth Fund allocation and continue supporting business growth within the district, with the opportunity to apply for small grants to support the purchase of small items of equipment.
7. The scheme will support SMEs with turnover under £250,000 to invest in small-scale capital equipment such as machinery, tools, and IT hardware with the aim of improving business efficiency and enabling business growth.
8. Approval of the scheme will enable timely deployment of the available funding and ensure that it delivers maximum benefit within the required timeframe.
9. The grant scheme will be promoted through our normal channels targeting small businesses.

Additional Implications Assessment

10. In the table below, please put Yes or No in each box:

Financial Implications No	Legal Implications No	Human Resources (HR) Implications No
Equality Impact Assessment (EIA) No	Carbon Impact Assessment (CIA) No	Data Protection Impact Assessment (DPIA) No

Appendices

Appendix 1: Business Grant Scheme 2026/27 programme details.

Background documents

None



AGENDA ITEM 12 – APPENDIX 1

East Cambridgeshire District Council

Business Grant Scheme 2026/27

1. Introduction

East Cambridgeshire District Council is delivering a 2026/27 Business Grant Scheme to support small and medium-sized enterprises (SMEs) within the district.

The scheme is designed to support small-scale, high-impact growth projects that improve productivity, introduce new products or services, or create jobs.

2. Eligibility

Applicants must:

- Be based within East Cambridgeshire
- Be an SME with turnover under £250,000
- Provide match funding
- Demonstrate compliance with UK Subsidy Control rules

Businesses must not:

- Be insolvent, in administration, or subject to a striking-off notice
- Have exceeded permitted subsidy thresholds
- Operate solely as investment/finance vehicles
- Apply via an intermediary

Charities are only eligible if applying through a trading arm (E.g. Subsidiary Limited Companies, Community Interest Company (CIC) undertaking commercial trading activities etc.)

3. Project Outcomes

Projects must deliver at least one of the following:

- Creation or safeguarding of jobs
- Introduction of new technology or processes
- Launch of new products or services
- Measurable improvement in productivity



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Projects must demonstrate a clear growth rationale.

4. Eligible Expenditure

Funding is available for capital expenditure directly linked to growth.

Eligible Capital Expenditure

- Machinery and tools
- Equipment improving productivity
- IT hardware (one-off purchases only)

Ineligible Expenditure

- Salaries or wage contributions
- Freelance or contractor staffing costs
- General overheads (rent, utilities, insurance etc.)
- Debt repayment or refinancing
- Ongoing marketing retainers
- Subscription software or licence renewals
- Routine professional fees (legal/accountancy)
- Stock purchases
- Retrospective costs

5. Grant Levels & Intervention Rate

Grant Amounts

- Minimum grant: £500
- Maximum grant: £2,500

Intervention Rate

- ECDC can contribute up to 75% of total eligible project costs

Applicants must demonstrate that project match funding is in place.



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6. Application Process

The scheme operates via a single-stage application process.

Applicants must submit:

- Completed application form
- Project summary
- Project cost breakdown
- Required quotations
- MFA (Minimum Financial Assistance) declaration

7. Assessment & Decision Making

Applications will be:

- Assessed by the Economic Development team
- Reviewed for eligibility and completeness
- Scored against an assessment framework

Funding will be allocated on a rolling, first-come, first-served basis, subject to:

- Meeting minimum quality standards – Applications must provide sufficient information to enable assessment against the grant criteria, including a clear description of the project, the business need for the grant, and the expected impact on the business (such as supporting growth, improving productivity, introducing new technology or processes, launching new products or services, or creating/safeguarding jobs). Projects must also meet all eligibility requirements.
- Budget availability

The Business Grant Scheme will open on 6 July 2026 and close when all money has been allocated

All projects must be completed, and all grant claims submitted, processed, and paid by 31 January 2027. The Council reserves the right to close the scheme early should available funding become fully allocated.

8. Payment & Procurement

- Grants are released after confirmation of expenses



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- No costs may be incurred before a signed Grant Funding Agreement is issued
- Two quotations are required for items over £3,000
- VAT should be excluded

9. Monitoring & Reporting

Successful applicants must provide:

- Invoices and proof of payment
- A short completion report
- Evidence of agreed outputs (e.g. equipment installed, website launched)

The Council reserves the right to visit funded businesses.

11. Subsidy Control

Under the UK Subsidy Control Act 2022, organisations must ensure that the total amount of Minimal Financial Assistance received does not exceed the applicable threshold over the relevant rolling period.

Examples include business grants, innovation or R&D funding, subsidised loans, business rate relief, energy efficiency funding, and discounted use of publicly owned assets.

All applicants must complete an MFA declaration confirming compliance with UK Subsidy Control requirements.

12. Fraud & Due Diligence

Due diligence checks may include:

- Credit checks
- Director disqualification checks
- Bankruptcy and CCJ searches

False declarations may result in grant clawback and potential prosecution.

Businesses must notify the Council of any changes affecting eligibility.



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13. Publicity

Successful applicants must acknowledge support from East Cambridgeshire District Council in relevant publicity.

The Council may publish details of grant awards on its website.

