



Rural England Prosperity Fund Rural Business Grant Scheme

1. Introduction

In September 2022, the Forest of Dean District was identified by DEFRA as an eligible place for the Rural England Prosperity Fund (REPF). REPF aims to improve productivity and strengthen the rural economy and rural communities. The district has been awarded an allocation of capital funding that will be available from September 2023 - March 2025, and revenue funding from April 2024 – March 2025. The REPF is linked with the UK Shared Prosperity Fund (UKSPF). Both funding programmes share the same aims.

The council is looking to specifically target existing food, farming, and/or rural-based businesses. The Rural Business Grant (RBG) scheme is open to existing micro-businesses (fewer than 10 employees), small businesses (fewer than 250 employees) and social enterprises. The desired outcomes from grant funded projects would include:

- Creation of new jobs
- Improved business productivity
- Business growth
- Greenhouse gas reductions
- Improved perceived or experienced accessibility
- Business adopting new to the firm technologies or processes
- Increased footfall or visitor spend
- Inward Investment
- Jobs Safeguarded

Relevant projects will align with one or more of the following themes of the REPF programme:

- Small scale investment in micro and small enterprises
- Developing and promoting the visitor economy
- Farm diversification to generate new income streams.
- Improving digital connectivity infrastructure
- Growing the local social economy
- Supporting new to firm innovation to energy efficient and low carbon technologies
- Improving land & premises security

The Rural England Prosperity Fund Prospectus identifies the types of projects we expect to see funded. The <u>list of interventions</u>, <u>objectives</u>, <u>outputs and outcomes</u> should inform your project focussing on the 'Supporting Rural Business' Investment Priority.

Grant funding will be between £1,000 - £5,000 for revenue projects and £3,000 - £25,000 for capital projects, with the applicant needing to provide at least 20% of the total project costs (match funding).

Capital expenditures are typically one-time large purchases of fixed assets that will be used for revenue generation over a longer period. Revenue expenditures are the ongoing operating expenses, which are short-term expenses used to run the daily business operations.

Please note that this is a competitive grant competition. Submission of an application does not guarantee funding will be awarded. Also, due to the anticipated high volume of applications, we will be unable to provide feedback to applicants.

The UK Shared Prosperity Fund is a central pillar of the previous UK government's Levelling Up agenda and provides £2.6 billion of funding for local investment by March 2025. The 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 https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus

The RBG scheme is being administered for the council by a local micro-business, ALP Synergy Ltd. Communication about grant applications and all grant support will be provided by ALP Synergy Ltd. If you have any questions about their role, you should contact Regeneration@fdean.gov.uk.

The ALP Synergy Ltd team will be referred to as 'the RBG team' in this guidance and can be contacted at lesley@alpsynergy.co.uk.

2. Eligibility for the RBG scheme

The RBG scheme is open to existing micro-businesses (fewer than 10 employees), small businesses (fewer than 250 employees) and social enterprises that have been registered with Companies House or have a Partnership registered with HMRC for at least 3 years.

The business must be based and trading from a business premises (i.e. subject to business rates or an agricultural premises that is exempt from business rates) within the Forest of Dean District Council area.

The grants are not available to sole traders, or public or private organisations that are predominantly public funded.

If your business has already received a REPF grant through the first two rounds of this scheme, you cannot apply again.

Applications may be made by a business on behalf of a group of businesses / organisations (as a partnership or consortium) who wish to collaborate on a project. There must be a single lead applicant who is responsible for receiving and spending the full grant award directly with suppliers. The grant monies cannot be distributed to the other businesses / organisations to spend as part of the project.

Additional eligibility criteria will also apply as follows:

 Grants cannot contribute to projects that are already underway, any costs incurred before confirmation of the grant award are not eligible and will not be included.
 For the avoidance of doubt, retrospective project costs will not be eligible.

- In the grant round, from September 2024 to March 2025 grants can fund capital and revenue projects.
- Salary costs are not eligible.
- Minimum grant value: £1,000 for revenue projects and £3,000 for Capital projects.
- Maximum grant value: £25,000 in total (capital + revenue)
- There is a limit of one grant award per business. Businesses can apply for their own grant and be named as a supporting partner in another organisation's grant application. However, the two grants must not be directly connected or interdependent.
- Your business must comply with at least one of the three elements of the Minimal Financial Assistance (MFA) criteria, see below.
- Your business must be viable or have a credible plan to return to viability.
- Projects that will require planning permission, must consider the timescales involved, and whether the activity can be completed by the relevant grant deadline.
 Projects that can demonstrate confidence of spend by the deadlines will score higher.
- All project costs need to be defrayed and claimed by 28th February 2025.

Ineligible Projects

Examples of what the grant **CANNOT** support:

- Working capital, e.g. rent payments, hire costs, stock purchases,
- Any motorised vehicles
- Funding for the payment of wage subsidies
- Activities which would contradict, duplicate, or undermine HM Government domestic initiatives.
- VAT payments (other than project costs where VAT cannot be recovered from HMRC or for non-VAT registered businesses)
- Paying off debts or refinancing
- Purchase of financial investments
- Any statutory or legislative obligations, duties, or requirements (including statutory training)
- Hire purchases and/or asset finance arrangements.
- "Like-for-like" replacement of obsolete equipment with little or no added value.

We cannot support projects that have received funding from other Defra schemes. This includes:

- The Farming in Protected Landscapes Programme
- The Farming Investment Fund
- The Platinum Jubilee Village Hall Improvement Grant Fund

Under the UK Subsidy Control Commitments in force from 1st January 2021, some elements of activity cannot be supported. Therefore, Rural Business Grants cannot be:

- dependent on export performance for example linking the grant to a specific export performance.
- contingent on the use of domestic content for example stating that the grant recipient must use a minimum percentage of UK inputs in their product.
- provided to a non-viable business unless that business has a valid plan in place to return the company to viability.

3. The RBG Scheme Timeline

The RBG scheme timeline is detailed below.

Activity	Date
Eligible applicants invited to apply	13 th Sept 2024
Introduction to the Grant Scheme webinar for interested applicants	5pm 19 th Sept 2024
Submission deadline for full applications	12pm Monday 7 th October 2024
Assessment Period for Applications	14 th Oct – 25 th Oct 2024
Grant panel	5 th Nov 2024
Applicants informed of final decision	8 th Nov 2024
Grant Funding Agreements issued for review and signature – approx. 28 days after the grant panel meeting.	6 th Dec 2024
Deadline for return of signed Grant Funding Agreements	Within 14 days
Final claim deadline for submission of all approved project expenses and evidence of spend and defrayal	28 th Feb 2025

4. The Funding Available

There is a sum of around £61,000 available for this third and final grant round, which is approximately £8,800 revenue funding and £52,000 capital funding. Grants can be just for revenue, just for capital or a combination of both up to a total of £25,000.

Grant funding will be between £1,000 - £5,000 for revenue projects and £3,000 - £25,000 for capital project, with the applicant needing to provide at least 20% of the total project costs (match funding).

Grant projects will be paid in arrears. A maximum of two claims will be accepted. Correct claims made on time will be paid approximately 4 – 6 weeks later, therefore **applicants must** be confident that they can cash flow their project pending reimbursement.

All activity, outcomes, and expenditure must be achieved, reported, and evidenced by 28th February 2025 at the latest. **Please note: if you submit your grant claim after this date, we will not be able to pay it.**

All SMEs which receive support under this programme are being aided under the UK Subsidy Control Act (2022) as governed by The Subsidy Control (Gross Cash Amount and Gross Cash

Equivalent) Regulations (2022 No. 1186). All grants are awarded as part of the Minimal Financial Assistance (MFA) exemption.

MFA allows SMEs to receive up to £315,000 over any period of 3 financial years (the current and two previous financial years).

<u>If</u> a company has already received £315,000 of MFA (also known as Small Amounts of Financial Assistance, Special Drawing Right (SDR)) or *De Minimis* State Aid within a three-year fiscal period, it will have to rely on one of the other allowances:

- COVID-19 Business Grant Allowance up to £1,600,000
- COVID-19 Business Grant Special Allowance if businesses have reached limits under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, they may be able to access a further allowance of funding under these scheme rules of up to £9,000,000.

For the avoidance of doubt, provided certain conditions are met, these three allowances can be combined for a potential total allowance of up to £10,915,000 (subject to exchange rates). If in doubt, please talk to an appropriate member of your organisation to check before submitting your application form. This may take the form of other grants or business support received in the past.

If you have received more than £315,000 of MFA in the last 3 financial years, then you will be required to provide information for all previous public sector support received in the last three years to confirm that you are eligible to receive a RBG scheme grant. You must inform us if you receive other public funding towards your project as this will have an impact on the level of grant funding that we can offer.

5. VAT

VAT is potentially an eligible cost for RBG scheme projects; however, this will vary on a case-by-case basis and the council cannot give VAT advice to applicants.

We recommend that you seek VAT advice when drafting your application. It is your responsibility to ensure that VAT is correctly treated within your grant project. Incorrect VAT treatment could lead to penalties from HMRC and you having to repay the VAT element of the grant that should not have been claimed.

It is your responsibility to include VAT if you need to claim it. If you do not include eligible VAT at the time of applying, the grant will be awarded based on net costs and VAT cannot be claimed.

6. Procurement

You are required to justify the selected supplier by seeking and providing copies of at least three written quotes. Where there is only one possible supplier for an item of expenditure, then best value must be demonstrated.

The evidence that you need to provide alongside your application for all procurement / supplier selections is:

- Copies of any quotations/screenshots of prices.
- Quotations/screenshots must be clearly identifiable to the supplier and include the supplier's name, a date, price per item to be purchased/procured, if the amount is inclusive or exclusive of VAT and (where possible) the supplier letterhead/logo.

Please note – if you do not provide at least three written quotes for an item of expenditure or a detailed justification of best value your application will not be assessed.

7. The Application Process

You will be invited to apply through an online form which can be completed from any computer or online device. The application form can be completed in one go if you have all of the information ready, or it will auto-save your information for 15 days (see below) so that you can return and complete it later. Applicants will be given a copy of the full question list, so that they can prepare to apply, and you are encouraged where possible to complete the application form in one go. The council and the RBG team cannot be responsible for lost applications if the auto-save process does not work for application.

The application form questions have been included in Annex 1 below.

Auto-save: Applicants can start to fill in the application, close it, and then return later and your answers will still be there. The only rule is that you have to be on the same browser and device (and not in Incognito or Private browsing mode). Your answers will be kept safely in your browser's local storage, for 15 days. When you open the application form again, you will be taken to the start of the form, but will see your existing answers from your last visit. You can edit those answers and fill out the rest of the questions before submitting.

We require formal quotes for each item or service being included in your project and justification why you have selected a specific supplier, and how they contribute value for money. Quotes should be uploaded to the application form with the appropriate questions.

Quotes must be official and dated, e.g. be on headed paper / from the companies email account. They must include VAT where relevant.

You must provide quotes for all items of expenditure included in the project, including those funded by your 20% match funding contribution.

You will also be required to complete a Declarations section including Subsidy Control Commitments, Insolvency, Conflict of Interests, Sharing Consent and Data Processing. Complete all information required, ensuring you have answered all questions as fully as possible. Incomplete submissions will not be considered. The deadline for applications is **Monday 7**th **October 2024 at 12pm.** You will receive a confirmation email of your submission.

You must submit:

- A completed online application form
- A minimum of 3 quotes per item of expenditure or a detailed best-value explanation.

8. The Assessment Process

Applications will be assessed by the RBG team, based on the answers to the following questions.

Question	Applicant guidance / questions to cover	Max score	Weighting
Grant Project and Delivery (1,000 words maximum)	What is your proposed grant project and its objectives? How will the project be implemented and managed to ensure spend by the end of February 2025 How will you spend the funds? How have you decided that your project is needed?	10	25
Impact of the grant on your business (500 words maximum)	Select from the dropdown list which Grant outcomes your project will address (see Section 1 above for the list). How does your project meet each of the outcomes that you have selected?	10	20
Impact of the grant on the rural economy and rural communities (500 words maximum)	How will the project strengthen the rural economy and rural communities?	10	15
Contribution to Nature Recovery and Net Zero Objectives (500 words maximum)	 How will the project contribute to: the UK's commitment to cut greenhouse gas emissions to net zero by 2050. wider environmental considerations and the impact on your business the 25 Year Environment Plan commitments 	10	20
Value for money / added value (500 words maximum)	How does your project offer value for money for the public investment? How are you ensuring that your project is cost effective? What is the added value of the investment? What would happen without the grant?	10	20

Applicants should only offer outcomes where they are **possible and realistic**.

Assessors will be scoring based on how comprehensive the answers are as follows:

Score	Definition
9 - 10	Excellent – answer provided exceeds the requirements in all areas with a high degree of added value from public funding. Comprehensive response with no or minor weaknesses identifiable.
7 - 8	Good – answer provided meets all the requirements and may exceed in a few areas, with some degree of added value. Reasonably comprehensive response with few weaknesses identified and these are not significant or material
5 - 6	Adequate - answer provided meets most or all the requirements but does not exceed them, with minimal added value. Response includes some weaknesses, but these are not material
3 - 4	Poor - answer provided does not meet some of the requirements and does not exceed them. No added value. Response includes significant weaknesses
1 - 2	Very poor - answer provided does not meet most of the requirements and does not exceed them. No added value. Response includes significant material weaknesses

A shortlist of applications will be passed to the Rural Business Grant Scheme Panel to select approved applications within the budget available. The shortlist will be based on submissions that pass due diligence at the Full Application stage.

The objective is to ensure that the Grant Panel is a competitive and selective process and does not simply rubber stamp the shortlist. The Rural Business Grant Scheme Panel is composed of representatives from the Forest of Dean District Council, and other representative organisations.

Any applicant found to have attempted to unduly influence a Panel Member by contacting them to discuss an application will be disqualified from the process. It is crucial to ensure that grants are processed and awarded in a fair and transparent way and that no applicant has an advantage over any other.

The Panel will focus on assessing the following three questions:

- How likely is the project to improve productivity and strengthen the rural economy and rural communities.
- How likely is the project to make a positive contribution in response to the climate and ecological emergency.
- How likely is the project will be delivered within the current funding timescales i.e. delivered and claimed by 28th Feb 2025?

9. The Grant Offer

The Grant Offer will be time limited and will expire 14 days after the date it is issued to the Applicant. It is <u>your</u> responsibility to ensure that the Grant Funding Agreement is signed and returned to the RBG team within the deadline. The Grant Funding Agreement **MUST** be signed by a current Director of the business or someone who is authorised to sign by the company.

Grant Funding Agreements will be sent to successful applicants via email. The business will then need to print the agreement, sign, and scan the document.

A signed copy should be sent via email to Louise. John@fdean.gov.uk and a printed copy sent to the Legal team, Forest of Dean District Council, High Street, Coleford, GL16 8HG.

If you are successful in being awarded a Rural Business Grant, you will be expected to:

- Provide all evidence required to process and verify the grant application and any subsequent claims.
- Provide all evidence as set out on the 'RBG Impact Declaration Form' to supply details of any programme outcomes achieved because of the funding.
- Be proactive to promote and publicise the support you have received, e.g. success stories in the form of press releases, case studies.
- You must co-operate, if requested, with Freedom of Information Act requests or other communications unless there are clear reasons not to (for example, confidentiality around commercial issues, intellectual property, or patents etc.)
- Participate in any evaluation activities by the RBG Programme Team, and the external evaluator.
- Maintain an asset register of all approved, funded items over £5000.
- We would also encourage applicants to join the FEP Climate Charter https://fep2050.co.uk/forest-business-climate-charter/

10. Making Your Grant Claim

Any grant that is approved is only for the purpose stated in the Grant Funding Agreement. Should the circumstances on which a grant application was based change, you must contact the RBG Team to discuss before committing to making any payments. This may include, but is not limited to,

- a change of expected completion date,
- change of supplier,
- change to the project value,
- expected project outcomes, or,
- cancellation of the project.

If you are in any doubt, please contact the RBG Team to discuss the Grant Offer.

If your project overspends, then you will only be able to claim the grant value awarded. Grants should be claimed in line with the Expenditure Profile Plan you complete in your Application (this will be reflected as a Schedule of your Grant Funding Agreement). Please note that a maximum of two grant claims will be allowed. You should submit a completed claim form (to be supplied) to the RBG Team on your claim date for review and payment, subject to review and compliance checks.

Reimbursement is based on actual defrayed expenditure. If your approved expenditure is less than anticipated the grant will reduce. If your project includes a contribution from you then the grant will be reduced in proportion to the overall reduction in expenditure. In any case grant claims cannot be accepted after **28**th **February 2025** in line with our funding requirements.

For all expenditure on your project, you will need to meet the regulatory audit trail requirements including evidence of defrayal (monies leaving your bank account). This includes: -

- A copy of the supplier invoice(s) / receipts
- Proof of payment, namely a redacted business bank statement showing the relevant payment(s).

Your project claim must demonstrate that the project expenditure has been made through an appropriate business bank account.

Business credit cards can be used, but you must be able to evidence that the credit card has been repaid (by the business) before you claim.

Correct claims made on time will be paid approximately 4 – 6 weeks later, therefore applicants must be confident that they can cash flow their project pending reimbursement.

Payment of supplier invoices <u>cannot be</u> made by cash or contra arrangements.

11. Outcomes

In the Full Application Form, you will need to provide details of any outcomes (i.e. Creation of new jobs, Improved business productivity, etc.) to be achieved. See Section 1 for the list of potential Impacts you may wish to cite.

Applications which offer more outcomes are likely to score more highly than those which do not. However, you must ensure that any outcomes promised are realistic as these are commitments not aspirations.

Once you have claimed your grant, we will provide you with the 'RBG Impact Declaration Form' which you must use to confirm the details of the impacts achieved.

If you experience difficulties in achieving the outcomes as outlined in the Grant Funding Agreement, please contact us at your earliest convenience so that we can understand and discuss the options in relation to the grant payment. Please note that we reserve the right to claim the grant funding back from you if you do not achieve the outcomes.

12. Asset Register

You will be required to maintain an asset register of all purchases of items over £5,000. We may ask to see this register at any time and may also visit your premises to verify the purchase(s) and record identification details.

10

Please be aware that if you dispose of the item(s) before they are fully depreciated, the council reserves the right to reclaim a proportion of the grant.

The detailed information that you will be required to maintain includes:

- Asset name and description.
- Serial or identification number.
- Location of the asset (including post code).

Forest of Dean RBG Scheme

- Purchase price (£) (net recoverable VAT).
- Date of acquisition.
- Approved Use of Asset.
- Legal Registered Owner of Asset.
- Method of Depreciation.
- Date of Depreciation.

We may require photographic evidence of assets to show to auditors. If this is necessary, we will contact you and confirm what images we need.

13. Further Information

The RBG Team and the council reserve the right to visit you to ensure the grant has been used for the purpose it was intended as stated in the application form and to inspect records to show costs have been incurred by you.

Your grant activity may also be subject to scrutiny by auditors from the Forest of Dean District Council, the UK Government, and the National Audit Office.

Your application information may be shared with other Council departments in order to signpost you to other funding sources, or offer advice on your projects.

14. Help

Please ensure that you read these Guidance Notes plus the supporting FAQs in full prior to submitting a query. If you still have any outstanding questions having reviewed all the supporting material, please contact us via email at Lesley@alpsynergy.co.uk

If you would like support to develop your project idea, then you should contact the local Growth Hub in the first instance here: forestofdean@thegrowthhub.biz.

Annex 1: Table showing all the questions that are included in the Application form.

What is the name of the business that is applying for this grant?

What is the business address and postcode?

Please confirm that you pay your business rates to the Forest of Dean District Council, or you are an agricultural premises that is exempt from business rates.

(Yes or No, If the answer is no then you are not eligible to apply)

What date was the Company registered or when did you start trading?

What is the business website address?

What is your full name?

What is your role in the business / job title?

What is your email address?

What is the best phone number to contact you on if needed?

Is the business a registered company or a partnership?

What is the company registration number or the partnership UTR number?

Is the business VAT registered?

What is your VAT registration number?

Has your business received funding from any other DEFRA (Department for Environment, Food & Rural Affairs) scheme? If so please provide further detail in terms of scheme, project title, funding received and date.

What sector would you say best represents your business?

What is your project title?

Please summarise your project in around 50 words

Describe your grant project in detail and how it will be delivered.

You have around 1000 words. Please include.

- What is your proposed grant project and its objectives?
- How will the project be implemented and managed?
- How will you spend the revenue and capital funds? (please be clear on the amounts for each).
- What are the key challenges and risks for your project?

Will your project need planning permission or other consents and have they been secured?

Which of the following themes will your project deliver against?

- Small scale investment in micro and small enterprises
- Developing and promoting the visitor economy
- Farm diversification to generate new income streams.
- Improving digital connectivity infrastructure
- Growing the local social economy
- Supporting new to firm innovation to energy efficient and low carbon technologies
- Improving land & premises security

Which of the priority outcomes will your project address?

- Creation of new jobs
- Improved business productivity
- Business growth
- Improved perceived or experienced accessibility.
- Business adopting new to the firm technologies or processes.
- Increased footfall or visitor spend.
- Greenhouse gas reductions
- Inward Investment
- Jobs Safeguarded

How will the grant impact your business?

You have around 500 words. Please include:

- What new things will happen as a result of the project?
- How will your project meet each of the Rural England Prosperity Fund outcomes that you have selected above?

How will the grant impact on the rural economy and rural communities?

You have around 500 words. Please include:

- How will the project strengthen the rural economy and rural communities?
- What evidence is there of the need or demand for this project?

How will your project contribute to Nature Recovery and Net Zero Objectives?

You have around 500 words. Please include how your project will contribute to:

- the Forest of Dean becoming carbon neutral by 2030
- wider environmental considerations, such as resilience to natural hazards
- the 25 Year Environment Plan commitments

How will the project deliver value for money or added value?

You have around 500 words. Please include:

- How does your project offer value for money for the public investment?
- How are you ensuring that your project is cost effective?
- What is the added value of the investment?
- What would happen without the grant?

What is your total project cost?

How much revenue grant funding are you requesting?

How much capital grant funding are you requesting?

How much match funding are you offering? Should be at least 20% of the total project cost.

When would your project start if you received the grant? Must be after the 3rd April 2024

When would your project be complete if you received the grant?

Must be by 28th February 2025

Now we need to know about your project expenditure. For each item of expenditure, you will be required to justify the selected supplier by seeking and providing copies of 3 written quotes.

What is expenditure item 1? What is its cost? and, who is your chosen supplier and why?

Please upload the first written quote for expenditure item 1. This should be the quote from your chosen supplier

Please upload the Second written quote for expenditure item 1.

Please upload the third written quote for expenditure item 1.

If relevant, what is expenditure item 2? What is its cost? and, who is your chosen supplier and why?

Please upload the first written quote for expenditure item 2.

Please upload the Second written quote for expenditure item 2.

Please upload the third written quote for expenditure item 2. This should be the quote from your chosen supplier

You need to put details of all expenditure with quotes – if there are more than 4 items then the quotes need to be emailed.

Have you received more than £315,000 of financial assistance over the last 3 years?

Are you authorised to submit this grant application on behalf of the business?

Is the business a micro business with fewer than 10 employees?

Is the business an SME with 10-249 employees?

Is the business a social enterprise or charity?

Is your business in liquidation, undergoing insolvency proceedings or in the process of being wound up?

Is your business viable?

Declaration / signature - I declare I have no interest or relationship with any of the suppliers listed in this application:

Please note, we are unlikely to fund expenditure where there is a potential conflict of interest between a grant recipient and proposed supplier. (For example: A director of the grant recipient who is a shareholder or director of a company which will be a supplier for the project.)

Do you consent to Forest of Dean District Council (and the grant team at ALP Synergy Ltd) storing your information for the purpose of processing this grant application?

Do you consent to Forest of Dean District Council keeping you informed of relevant updates on grants and future support opportunities for your business?

I confirm that the information provided in this application is complete to the best of my knowledge?

Equalities Monitoring – Gender, Age range, Ethnicity, Do you consider yourself to have a physical or mental health condition or illness lasting or expected to last 12 months or more?