

HARBOROUGH DISTRICT COUNCIL

REPF: HARBOROUGH RURAL GRANTS: GUIDANCE FOR APPLICANTS



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1. Introduction

‘The Rural Fund supports the aims of the government’s Levelling Up White Paper and Future Farming Programme. It funds capital projects for small businesses and community infrastructure. This will help to improve productivity and strengthen the rural economy and rural communities. The Rural Fund is integrated into the UK Shared Prosperity Fund (UKSPF) which supports productivity and prosperity in places that need it most. For eligible local authorities, the Rural Fund is a rural top-up to UKSPF allocations. It supports activities that specifically address the challenges rural areas face. It is complementary to funding used to support rural areas under the UKSPF.’

<https://www.gov.uk/government/publications/rural-england-prosperity-fund-prospectus/rural-england-prosperity-fund-prospectus>

Harborough District Council has been allocated £709,681 from the Rural England Prosperity Fund (REPF) to be spent over two financial years between April 2023 and March 2025.

As stated in the prospectus, ‘The Rural Fund provides capital funding to support new and existing rural businesses to develop new products and facilities that will be of wider benefit to the local economy. This includes farm businesses looking to diversify income streams.’ The Harborough District Council has therefore developed a Harborough Rural Grant Scheme. £230,000 has been allocated in year 2 for this grant scheme.

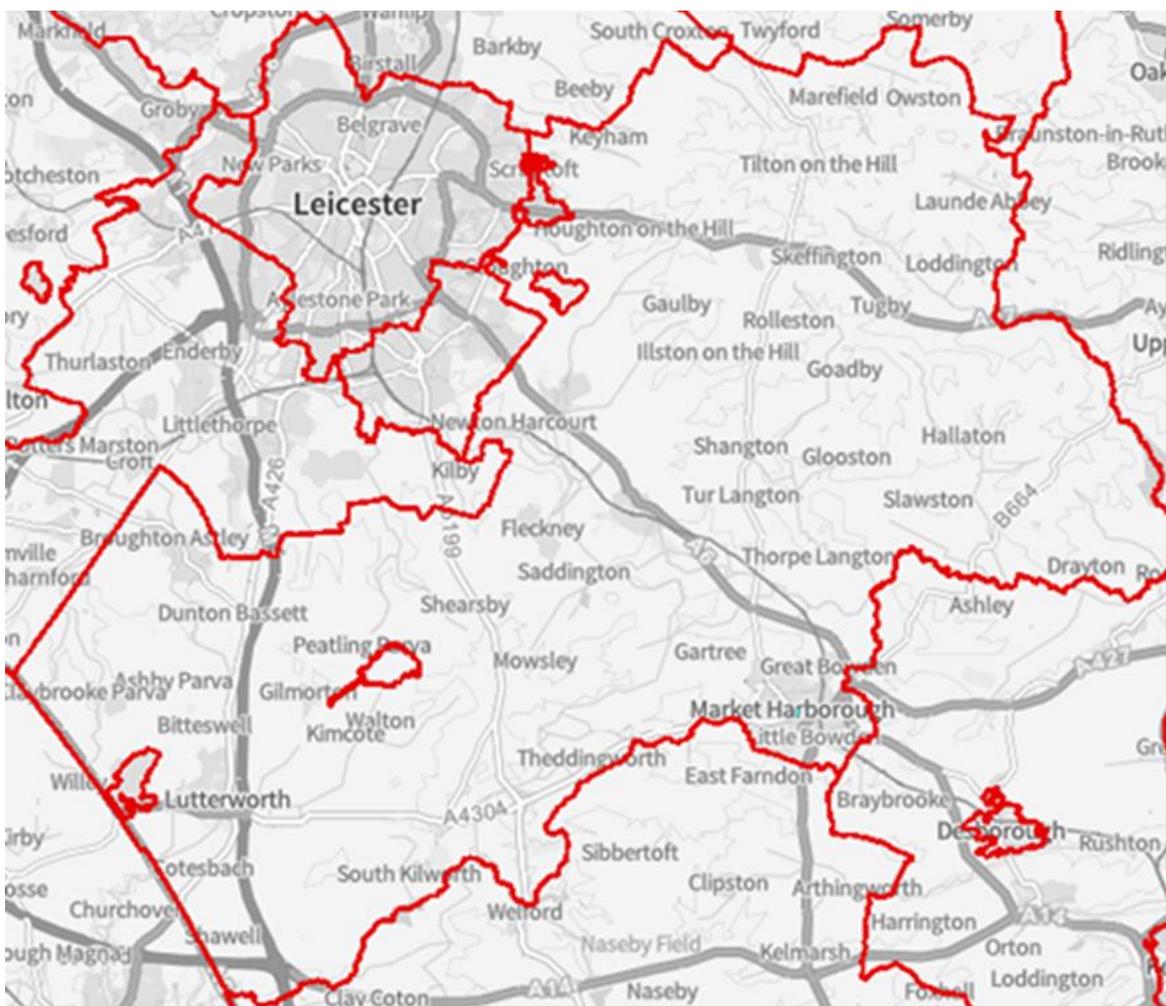
The Harborough Rural Grants Scheme is underpinned by the Harborough District Rural Strategy, which was approved in 2022 and involved considerable consultation and engagement with key rural stakeholders. It has taken full account of the requirements of the Government (as set out in various links above) and the issues and questions that have arisen locally and nationally through the delivery of past and current business support schemes.

Rural areas

To ensure that the funding addresses truly rural issues and contributes to the delivery of the council's Rural Strategy, this grant is restricted to all areas of the district other than Market Harborough and Lutterworth and those areas identified as not eligible on the government's map. An exception to this may be made if a project specifically demonstrates how, it directly benefits the rural areas of the district, rural residents or businesses.

In addition to Market Harborough and Lutterworth, areas in the Harborough District not identified as a rural areas for the purposes of REPF (Rural England Prosperity Fund) are:

- Magna Park Logistics Park
- Bruntingthorpe Proving Ground (to be confirmed on application)
- Leicester Airport
- Stoughton Lane
- The parishes of Thurnby/Bushby/Scraftoft, which are classified as part of the Leicester Principal Urban Area as identified on the map.



2. Primary Outcomes

The grants will cover four different themes:

2.1 **Scheme 1 - Farm business diversification**

Supports farm businesses to diversify their business activities **outside of agricultural activities**. Such projects should improve business resilience, development, and revenue.

Agriculture definition: the science or practice of farming, including cultivation of the soil for the growing of crops and the rearing of animals to provide food, wool, and other products.

Examples of eligible projects: Creation of tourism and leisure attractions, new product or service development, converting farm buildings or land to other commercial or business uses.

Eligibility:

- Projects must be farming business diversification outside of agriculture.

2.2 **Scheme 2 - Innovation and growth**

Support **micro and small** enterprises in rural areas looking to deliver innovative projects. Funding will support projects that change the way businesses do something, to improve efficiencies and to generate more income. Projects will need to demonstrate how they are helping to overcome a rural issue or barrier they face in order to grow.

Innovation definition: a new method, idea, product, etc.

Examples: Investment in a new technology allowing you to bring a process in-house, or investment in a new line of products or services.

Eligibility:

- Project must demonstrate how it will create innovation and growth whilst overcoming a rural issue or barrier.

2.3 **Scheme 3 - Green Technology/infrastructure**

Support businesses to invest in energy efficient and low carbon technologies. This means businesses can invest in green technology that will improve their carbon footprint. Businesses could also use this funding to develop their own green technology which can be used to improve the carbon footprint of their business and/or other businesses.

Examples: Investment in renewable energy generation, or Electric Vehicle charging provision.

Eligibility:

- Project must be increasing and developing green technology and cannot be used to fund the installation or maintenance of fossil fuel equipment.

2.4 **Scheme 4 – Rural Tourism**

Capital grants to develop local tourism attractions, facilities, or infrastructure to enhance the rural visitor economy and increase opportunities to attract visitors to our rural areas.

Examples: Creation of new tourism attractions or the development of existing tourism attractions, or investment in rural accommodation or hospitality facilities.

Eligibility:

- Project must aim to increase visitor numbers and/ or increase tourism revenue within the District.

3. **Eligibility Criteria**

- 3.1 The grant funding must be used on capital projects. This means you must spend grants on lasting assets such as a building or equipment.
- 3.2 The grants must support new or existing rural businesses to develop new products or facilities that will be of wider benefit to the local economy. This includes farm businesses looking to diversify income streams.
- 3.3 All applicants must provide assurances that they have all the necessary permissions, such as Planning approvals, building warrants etc., in place prior to applying.
- 3.4 Grants must be used for business purposes. They cannot be used for domestic property improvements or for private vehicles.
- 3.5 All projects must consider how the project can work with the natural environment to achieve objectives. At a minimum, you need to consider the project's impact on our natural assets and nature. Projects that deliver the greatest economic, environmental, and social benefits will be prioritised.
- 3.6 Grant recipients must have robust business plans which demonstrate the viability and potential success of projects.
- 3.7 The grants cannot be paid retrospectively, and it must be for a new project.

3.8 Applications are required to demonstrate that they have match funding from other sources, with the maximum funding from the Harborough Rural Grants Scheme being 50%, other than in exceptional circumstances. Projects which have been able to attract a higher percentage of match funding from their own funds or other sources, maybe more likely to be supported, as they demonstrate that the business has received more support and commitment from elsewhere.

Eligible Businesses

3.9 The business must be located in a rural area as identified above (1).

3.10 A micro/ small/medium-sized enterprise employing between 1 and 249 staff.

3.11 As part of their application process for the scheme, all businesses will be required to self-certify that they meet all eligibility criteria.

3.12 Grant amounts given to individual businesses will be subject to subsidy allowances. Therefore, businesses will be asked to state any grants they have received within the application.

<https://www.legislation.gov.uk/ukpga/2022/23/enacted>

3.13 Any business type can apply, including sole traders, partnerships, limited companies, Community Interest Companies, and social enterprises etc., although not charities.

3.14 Businesses must be trading for 12 months prior to applying for the grant. New or start-up businesses need to get in touch to discuss their project to determine eligibility before applying. For the purposes of this grant scheme, a business is trading if it is engaged in business activity. This should be interpreted as carrying on a trade or profession or buying and selling goods or services in order to generate turnover. Fully constituted businesses in liquidation, dissolved, struck off or subject to a striking-off notice are not eligible under these conditions.

3.15 Only one grant per business is permitted across all four schemes, within one financial year.

3.16 The council requires the following information for all applicants:

- A. Name of business
- B. Business Trading Address including postcode
- C. Unique identifier (preferably Company Reference Number (CRN)) if applicable. If not applicable, VAT Registration Number, Self-assessment/Partnership Number, National Insurance Number, Unique Taxpayer Reference, Registered Charity Number will also be acceptable)
- D. Nature of Business

- E. Date business established
- F. Number of employees
- G. Business rate account number (if applicable)

3.17 The Local Authority must confirm with the business that in accepting the grant, the business confirms that it is eligible and where they no longer meet the eligibility criteria, they will be required to contact the Council.

3.18 Where relevant, the project must have any permissions or licences needed before a grant can be approved. This includes, but is not limited to:

- Planning permission.
- Buildings regulations approval.
- Conservation area consent.
- Listed building consent.
- Appropriate ecclesiastical permission.
- Consent of landlord where the applicant is a tenant or leases the building/land.
- Waste carrier's licence.
- Relevant health and safety and insurance requirements including risk assessments where relevant.
- Photo permission forms.

3.19 This funding may only be used for new projects. Projects must not start before the grant is approved.

Exclusions to grant funding

3.20 The fund cannot support projects that have received funding from other DEFRA schemes. This includes:

- A. The Farming in Protected Landscapes Programme
- B. The Farming Investment Fund
- C. The Platinum Jubilee Village Hall Improvement Grant Fund

3.21 The fund cannot support projects or costs where there is a statutory duty to provide them.

3.22 Businesses that have already received grant payments that equal the maximum permitted levels of government or public subsidy will not be eligible to receive funding. Therefore, businesses will be asked to state any grants they have received within the application.

3.23 For the avoidance of doubt, businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under this scheme.

3.24 This grant funding cannot be used for revenue projects or operational costs.

Will grants be subject to tax?

- 3.25 Grant income received by a business is taxable. The grant will need to be included as income in the tax return of the business.
- 3.26 Payments made to businesses before 5 April 2024 will fall into the 2023/24 tax year. Unincorporated businesses will be taxed when they receive the grant income.

The risk of fraud

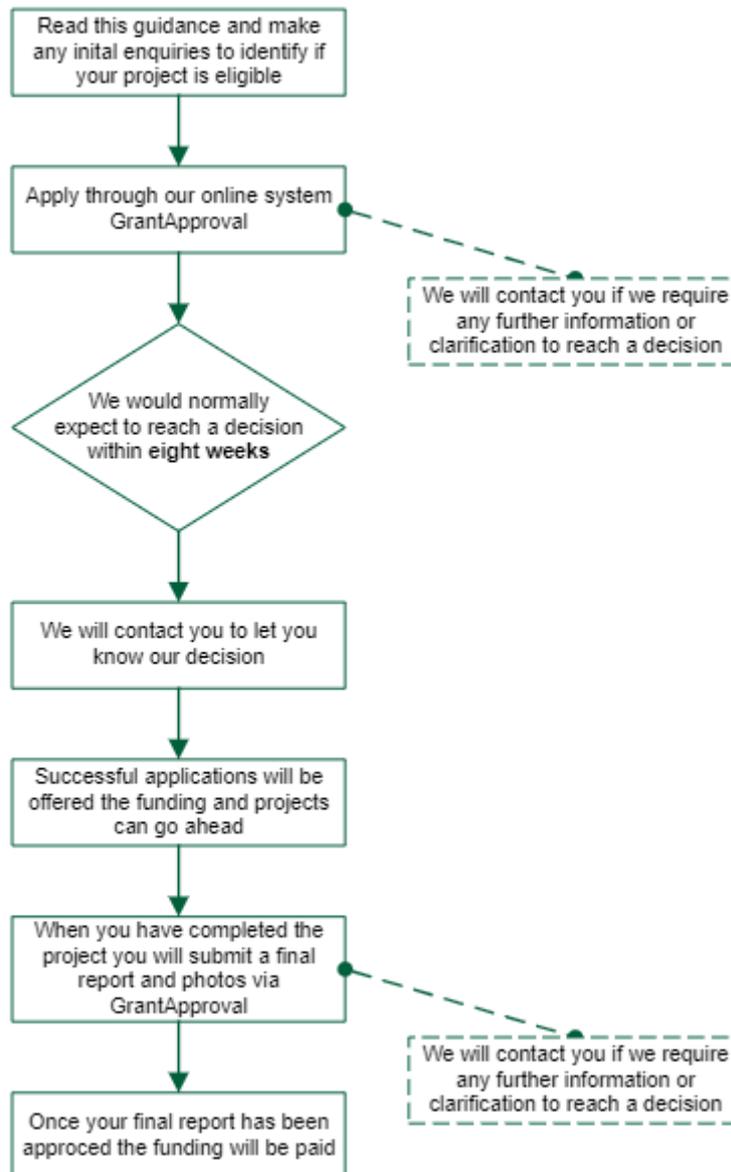
- 3.27 Various checks will be made on each application and business, and the online system onto which applications will be submitted on will undertake anti-fraud checks.
- 3.28 Any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be recovered, as will any grants paid in error.

Publicity and monitoring

- 3.29 Any business receiving a grant must agree to publicly acknowledging receipt of the grant, display any logos and agree to participate in any publicity or promotional activities associated with the funding. In addition, they must agree to participate in any monitoring and reporting required by the Council and/ or DEFRA, whether specifically noted in the grant approval notification or not. Such reporting, monitoring and publicity may help inform whether similar funding is offered in future.

4. Application Process

4.1 A diagram of the funding process:



4.2 The council will only accept online applications, and these must be made via the website, please see Section 5.1 for further information.

4.3 If you have any initial enquiries about the grant scheme you can email us at business@harborough.gov.uk. You should discuss an application that you have submitted or an ongoing grant with us using the 'Comments' tab in the online system.

4.4 The council will only accept online applications, and these must be made via the www.grantapproval.co.uk website. It is the responsibility of the applicant to ensure that they provide the correct and accurate information the first time.

4.5 Grants will open on Monday 22 April 2024 and close on Thursday 31 October 2024. However, the council reserves the right to extend the scheme if required.

Every effort would be made to inform businesses which have registered their interest with the Council of any such changes.

- 4.6 Once the grant is approved, the applicant will have until March 2025 to complete the project, in line with the rules of the REPF scheme. (the Council reserves the right to extend this if necessary).
- 4.7 Grants will be paid in arrears, meaning that businesses must first make the purchase and provide evidence of the purchase, and only then the grant will be issued. If businesses do not make the purchase and submit the purchase order within the given time frame, the Council retains the right to revert the grant decision.
- 4.8 For long or complex projects, and subject to prior approval, the Council may be able to make stage payments to support the cash flow for projects, where there are clear project milestones and phases.

5. Application Form

- 5.1 The council will only accept online applications, and these must be made via the www.grantapproval.co.uk website. If you have not used this system before, you will need to register for an account. Once you are registered and logged onto the system, select 'Harborough' as your local authority and click 'find schemes'. The title of the fund in the online system is "REPF – Harborough Rural Grant". It is the responsibility of the applicant to ensure that they provide the correct and accurate information the first time.

5.2 Application – Questions

The questions you will be asked include (but not limited to):

- Please describe your current business operation.
- Explain how you have considered the project's impact on the natural assets and nature? How will this contribute towards net zero objectives?
- Do you have all the necessary permissions, such as planning approvals, building warrants etc., in place for this project?
- Is this project expected to safeguard or create any jobs? If so, approximately how many and in what type of roles?
- Please outline the timeline for the project.
- How much income, or savings, do you expect this project to generate? Please estimate approximate income, operating costs, and surplus for the next three years.
- Will you be adopting new to the firm technologies or processes? If so, please expand.
- The grant requires to be match-funded by at least 50% of the total cost. How are you proposing to fund the remaining costs for the project and are there uncertainties surrounding this funding?
- Please outline any grant funding you have received since 2019.

5.3 Application - Required Documents

You should upload the following documents to your online application:

- **Bank Statement (Mandatory)**
Please provide a bank statement to match the bank details provided on the application. This needs to clearly show the bank account name, sort code and account number. Please note this grant can't be paid into an individual account. The bank account name must correspond with the name of the organisation applying for funding.
- **Quotations (Mandatory)**
Please provide at least two quotations for any assets, products, equipment, or services that will be made from this grant. These quotations should be from different suppliers.
- **Permissions (If Applicable)**
Please provide evidence of relevant permissions or licences obtained. Further information is available in Section 3.18.
- **Ownership or lease (If Applicable)**
If any alterations/works are proposed to a building or land, please provide proof of ownership, or the lease agreement in place. If the property is leased, please also provide a letter of permission from the landlord.

6. Disclaimers

- 6.1 Harborough District Council reserves the right to vary the terms of the REPF Rural Grant Scheme. Every effort would be made to inform organisations that have registered their interest with the Council of any such changes.
- 6.2 Harborough District Council reserves the right to pause applications to the REPF Rural Grant Scheme to evaluate the programme and implement any necessary changes. Every effort would be made to inform organisations that have registered their interest with the Council of any such changes.
- 6.3 FINANCES – Any grant awarded will normally be paid in arrears. If the outcomes have not been achieved to the satisfaction of the grants team, the Council reserves the right to re-consider the final amount of funding to be awarded, based on the outcomes achieved by the project.
- 6.4 TAX - Any grant received may be subject to tax and organisations may wish to consult HM Revenue and Customs or a qualified, independent financial advisor.
- 6.5 PUBLICITY - Any organisation receiving a grant must agree to publicly acknowledge receipt of the grant, display relevant logos, and agree to participate in any publicity or promotional activities associated with the funding.

In addition, they must agree to participate in any monitoring and reporting required by the Council, whether specifically noted in the grant approval notification or not. Such reporting, monitoring and publicity may help inform whether similar funding is offered in future.

- 6.6 INFORMATION - Personal data supplied on the application form and any supporting documentation will be held on our systems and will be used in accordance with the Data Protection Act 2018 and Freedom of Information Act 2000. The information you provide will be used for statistical analysis, management planning and the provision of services by the Council. You can find further information about our relevant policies on our website here: <https://www.harborough.gov.uk/information>
- 6.7 FRAUD - The online application system will undertake anti-fraud checks and various checks will be made on each application and grant awarded. Any applicant caught falsifying their records to gain grant money will face prosecution and any funding issued will be recovered, as will any grants paid in error.