



Babergh & Mid Suffolk District Council (BMSDC) Rural Business Growth Fund

Guidance Notes

About the Fund

This grant scheme is funded by the Government's Rural England Prosperity Fund (REPF). The [Department for Environment, Food and Rural Affairs](#) (DEFRA) announced in March 2025 that the [Rural England Prosperity Fund](#) (REPF) will receive £33 million in continuation funding. This funding is aimed at eligible local authorities throughout England, to enable them to invest in local businesses and community initiatives to foster local growth and address specific rural challenges.

Funding available

Grants of between **£1,000 - £10,000*** per application are available for eligible businesses trading within Babergh or Mid Suffolk.

*By exception grants may be agreed of up to £15,000 for projects which strongly support the Net Zero Infrastructure or Farm Diversification priorities. Please contact us before applying for further information.

The maximum grant intervention rate will be 50% of the total project cost. This means that the minimum project cost we can support is £2,000. Please note, all payments are made at the end of the process, so you will need to be able to fund the project fully before any reimbursements are made.

You must provide evidence within your application of the match funding you have secured/are seeking and how you will fund the remaining costs of the project.

Who can we fund?

- Sole traders
- Limited companies
- Cultural, heritage or arts organisations or partnerships
- CICs, charities or voluntary organisations
- Social Enterprises
- Community or voluntary groups

Businesses must be within the SME definition (employ less than 250 people and your turnover is less than EUR 50m/~£43m or annual balance sheet less than EUR 43m /~£37m).

Already received REPF funding?

If you have already been successful with REPF via Babergh or Mid Suffolk District Councils, priority will be given to new applicants; however, we may be able to support a new project via this scheme so please contact us prior to making an application. If you cannot re-apply, we might refer you to an alternative programme or business support organisation.



What can we fund?

This is a **capital only** fund to support one of the following priorities:

1. Net zero infrastructure

- Investment in net zero technologies to reduce energy consumption and/or make the business more water efficient.
- Examples of the types of projects this could fund include purchase of capital investment to make small adaptations for businesses, energy efficiency improvements, building fabric upgrades and machinery upgrades.
- As a result of the project the business should be able to record a measurable carbon reduction within the business.

2. SME investments and diversification

- Flexibility according to business need is applied under this theme for businesses looking to invest in capital assets, such as machinery, equipment, hardware, refurbishment of premises.
- The SME must demonstrate how the investment will enable growth, deliver the business plan and long-term goals.
- We would specifically like to see projects that focus on investments that will support new processes, new to firm technologies, modernisation and improving business efficiency and productivity.

3. Farm diversification

- Diversification of farm businesses outside of agriculture to encourage start-up, expansion, or scale-up of these businesses, including where this involves converting farm buildings into other commercial or business uses – i.e. rural leisure and tourism facilities.
- **Please note:** REPF must not be used to fund farming equipment or infrastructure or to diversify within agriculture.

4. Visitor economy business expansion

- The development of rural tourist attractions and infrastructure
- Creating event venues or farm tourism facilities such as wedding venues or hospitality or leisure facilities
- Creation or expansion of visitor accommodation, particularly in redundant agricultural buildings.
- Development of local visitor trails and infrastructure to support this such as information boards or visitor centres.
- Projects that will increase the ability to sell locally such as processing equipment, fridge units and vending machines or using innovative technologies to make the business more efficient
- Provision of event venues, food & drink tours and tasting and tourism experiences



What we cannot fund

- Applications from individuals – we cannot make grant payments to individuals
- VAT: please exclude VAT from your project costs.
- Annual/usual organisation running costs and core staffing costs
- Operational costs / equipment that is deemed essential for the business to operate such as laptops, mobile phones, telephony equipment, office furniture etc.
- Projects unable to start within 6 months of the grant award date
- Activities promoting political or religious beliefs
- Payments towards endowment funds, deficit funding or loans
- Sponsored or fundraising events
- Funding for trips abroad or hospitality to other organisations
- Repeat funding / projects that have already been funded by the Councils – i.e. if BMSDC has previously provided a grant for the same activity
- Items or projects which only benefit an individual
- Retrospective costs
- Projects that will displace existing provision
- Activities that are statutory obligations

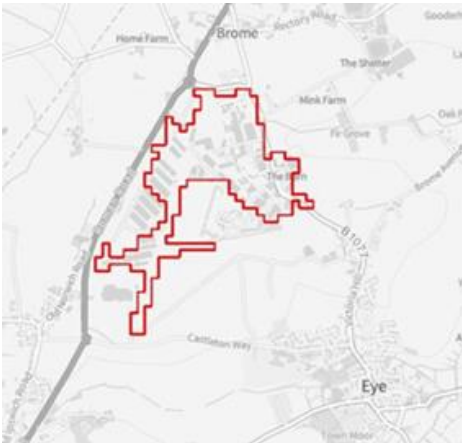
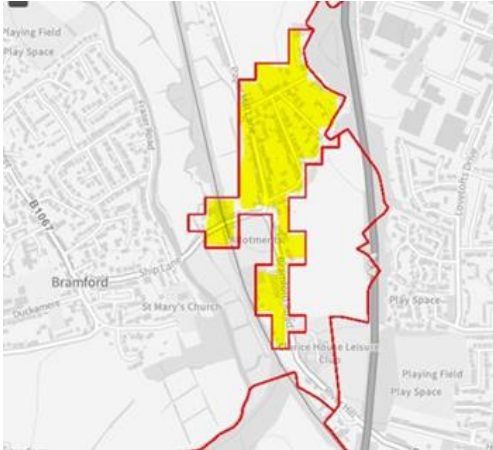
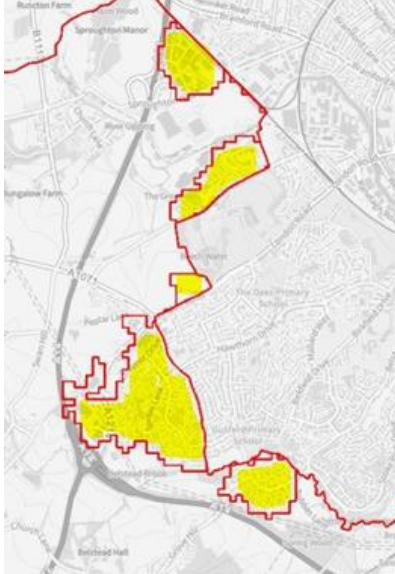
Additionally, **we cannot support projects that have received funding from other Defra schemes.** This includes, but is not limited to:

- The Farming in Protected Landscapes Programme - funding for farmers and land managers to work in partnership with National Parks and Areas of Outstanding Natural Beauty bodies to deliver projects on climate, nature, people and place
- The Farming Investment Fund - grants to improve productivity and bring environmental benefits, covering 2 funds - the Farming Equipment and Technology Fund and the Farming Transformation Fund
- The Platinum Jubilee Village Hall Improvement Grant Fund - grant funding over 3 years (to 2025) to support capital improvement projects for village halls, covering extending buildings and modernising facilities.



Excluded areas

Due to Government guidelines, we are not able to fund projects within the following locations.

Mid Suffolk – Eye Airfield*	Mid Suffolk – The area shown in and around Paper Mill Lane, Bramford	Babergh – highlighted areas on the outskirts of Ipswich
		

* Exclusions depending on what activity is being supported, please contact the Economic Development Team for further discussion prior to application.

If you have any questions or would like to check your eligibility, please email:

BMSDCEconomicdevelopment@baberghmidsuffolk.gov.uk.

Quotations for work and services

As a condition of the grant, all capital (physical assets) expenditure approved will require evidence of three quotes obtained to ensure value for money. This applies to all total project costs over the value of £5,000. For projects totalling under £5,000 or where multiple items are under this amount, only one quotation per goods, works and / or services will be required. You will be asked to attach quotations within the application form. Please note, grant offers will be made based on the lowest quote.

**Please note that by three-quotes, this means that you can evidence you have tried to obtain three-quotes, it does not necessarily mean that all potential suppliers contacted will provide you with a quote*

In exceptional circumstances we may accept one quote, you will be asked within the application form to give reasoning why you have only been able to supply one quote. Examples may include there only being one specific supplier of a specialist item, or you are under contractual arrangements to a specific supplier.



Planning permission and license requirements

If you are applying for any physical upgrades or improvements that will require planning permission or building control permissions, grants will only be approved if the relevant permissions have already been provided or if there is evidence that planning permission is currently being sought, the grant may be awarded on a conditional basis that planning permission is approved.

To find out more about how to gain planning permission, please visit: [Babergh Planning](#) or [Mid Suffolk Planning](#)

Businesses / organisations must have all the required permissions and licences relevant to the business / organisation e.g. registered food business, a satisfactory Food Hygiene Rating. You will also be asked within the application form to declare any other permissions or licences that are required for your project and when they will be obtained.

If your project is taking place on rented / leased / tenanted land or premises, please ensure you submit a letter of authority from the land or premises owner or that the owner applies for the grant funding direct.

Options and market need

As part of the application process, you will be asked to provide an overview of what other options you have considered and how you have chosen your preferred project.

You will also be asked to provide evidence of the market need for your project and explain what research has been undertaken to support this.

When we refer to 'market' this means the area and / or sector (also referred to as 'arena') in which you carry out your commercial dealings or for public benefit service. For example, you may wish to include how the funding will help you compete with your competition, increase your sales through improved services and products, attract additional users to your hub and/or how will it help you meet the needs of your customers or community.

Environmental impact, equality and diversity

As part of the application process, you will be asked how you have considered:

- Environmental impacts associated with the project
- How you have considered any equality and diversity impacts associated with the project, including how you have considered the impacts on the following groups: ethnicity, disability, age, gender, religious beliefs, marital status, gender reassignment and sexual orientation (protected characteristics).

This means outlining how you have or will ensure your project will not negatively impact the local environment and how your project will ensure that no particular group in the community is discriminated against. For example, you may include a wheelchair ramp to a facility / business as part of your project.



Subsidy control

All applicants are expected to complete the subsidy declaration within the application form for both schemes. Please note, it is the businesses / organisations responsibility to ensure that they comply with the Subsidy Control regulations.

The EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period, which ended on 31 December 2020. This does not impact the limited circumstances in which State aid rules still apply under the Withdrawal Agreement, specifically Article 10 of the Northern Ireland Protocol. The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.

Babergh and Mid Suffolk District Councils are providing this grant to any business / organisation as a Minimum Financial Assistance (MFA) subsidy under the Subsidy Control Act (2022).

MFA subsidy limit is £315,000 over a three-year period (including your current financial year and the previous two financial years).

For more information on the UK Shared Prosperity Fund subsidy control please visit: [UK Shared Prosperity Fund: subsidy control \(7\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/uk-shared-prosperity-fund-subsidy-control)

What to include within an application

- **What are you going to do?** Provide a statement about the activity you want to fund using this grant money.
- **Why do you want to do it?** Describe how this will add value to your business / organisation / community and what difference it will make, for example, would it enable you to;
 - Improve your productivity
 - Increase your useable customer space
 - Access new customers/users
 - Create or safeguard jobs
 - Increase your export capability
 - Allow for new to the firm technologies or processes
 - Provide services for specific groups e.g. young people or people with disabilities
- **How much will it cost?** We need to see a breakdown of how you have reached the total fund you are asking for. This doesn't need to be to the penny but should evidence your main costs, confirmation of match funding, and estimates or quotes.
- **How does it match our priorities?** Our priorities for the schemes are outlined in the guidance. We do not expect that your project will meet all our priorities, however your application needs to describe where it does support those it can.
- **What will the outcomes for your business / organisation be?** Provide figures to illustrate the anticipated improved outcomes for your business / organisation, for example:
 - Increased sales
 - Increased customers / users
 - Greater business efficiency



- Job creation or jobs safeguarded
- Improved productivity
- Increased business growth
- Increased export capability
- Improved community engagement
- Enhanced rural visitor economy and leisure opportunities
- Creating a sense of local pride and belonging
- Increased visitor numbers and spend
- Increase in pre-investment numbers for arts/cultural venues
- **When will the project start and finish?** Provide expected dates including any milestone dates that will occur during the project, for example if new equipment is arriving when it will start to be used. Our expectation is that projects will start upon receipt of a grant offer letter and will be completed by **1st March 2026**.

How to apply

If you would like to apply to the Rural Business Growth Fund, please complete an application form which can be found on the Heart of Suffolk Website.

Applicants will be required to provide statutory information and upload the following evidence:

- Valid business/organisation insurance certificate
- Confirmation of compliance with Subsidy Control restrictions UK subsidy control regime
- Evidence of match funding required at 50% (e.g., copy of savings account bank statement)
- Minimum of 3 quotes for the proposed works and justification for not choosing the lowest quote (if applicable). Grant offers will be made based on the lowest quote.
- A copy of a bank statement dated within the last 3 months in the business name

The Process

We anticipate there will be a high demand for this fund so not all applications will be successful. Funding is limited so we would urge applicants to apply as soon as possible.

- We will review applications on a first come first served basis and all applications will be subject to a detailed assessment process.
- Once an application is received you will hear from a member of our team within two weeks should any additional information be required.
- Grant panel meetings will be held monthly to make decisions regarding received applications.
- Applicants will be informed of the decision by email, and for those that are approved the applicant will receive a grant acceptance / offer letter which must be signed and returned within 10 days.
- Your project should commence following receipt of the offer letter and be completed within 6 months of the date of the Grant Offer Letter (**and by no later than 1 March 2026**).
- **All payments are made at the end of the process, so you will need to be able to fund the project fully by yourself before any reimbursements are made. Funding cannot be used to pay for items purchased prior to the grant being determined.**



Funded by
UK Government



- Funding is released upon the receipt of invoices and proof of payment for the items/purpose detailed in the application form and offer letter. If invoices are submitted which are not for the approved purposes, the grant payment will not be paid. If you are proposing to make any changes to your approved project, please inform us as soon as possible.

Applications will close on **12th December 2025**; however, they may close earlier if all funds have been fully committed.

Other funding and support available

- [New Anglia Growth Hub](#) – business advice for all sectors and sizes of business
- [Groundworks](#) – To provide Net Zero Consultancy and Decarbonisation plans
- Through our Community Grants team, a range of grants are available for projects that deliver clear community benefits within our districts. For further information on community funding please visit
 - [Mid Suffolk District Council - Community Funding](#)
 - [Babergh District Council - Community Funding](#)