

Appendix 1

Ashford Rural Businesses Green Grants Scheme Rural England Prosperity Fund – Green Business Policy to 31 March 2025

Ashford Borough Council – Policy

Background

Due to the rural nature of the borough, Ashford has a high percentage of businesses located in rural areas. Whilst many of these are agricultural businesses (6.4% of the total number of enterprises¹), the highest proportion are Professional, Scientific & Technical (16.3%) and Construction (14.7%). The latter is higher than the average for England of 12.8% and is also a key consumer of fossil fuels to generate energy. Overall Industry accounted for 165.7 CO₂ kt which represented 25% of the borough's CO₂ emissions in 2018.²

Many businesses in rural areas are situated in older and less energy efficient premises. There are long standing issues for properties (mostly found in rural settlements) which are off the mains gas grid and which rely on heating sources such as LPG, oil, and solid fuels.³ The reliance on these fuels also does not support a rural borough such as Ashford to achieve its ambition of being Net Zero by 2050 and costs of transition are often prohibitively expensive. Supporting businesses to create energy efficiencies in their properties and transitioning from petroleum based or similar heating sources would help deliver UKG's commitment within the Net Zero Strategy 2021, to help households and businesses reduce their energy bills while making buildings healthier.⁴

The South East has benefitted from having a long-standing effective scheme to support households and businesses transition to greener energy and processes. Low Carbon Across the South East (LoCASE) has been providing financial support and advice to businesses seeking to undertake this transition. LoCASE has also formed a key part of Kent County Council's delivery of such support through its Low Carbon Kent team. This activity has been funded to date by the European Regional Development Fund and will cease operating at the same level by March 2023.

Government funding is available through the Industrial Energy Transformation Fund to support businesses with high energy use to transition to low carbon technologies. However, the loss of the LoCASE funding locally creates the prospect of a funding gap for micro, small and medium enterprises in Kent who are seeking capital to create smaller scale energy efficiencies and invest in new energy technologies.

There is an opportunity to provide local grant funding and support, which can leverage private investment into improving business premises' energy efficiency and transition to renewable energy in the immediate years beyond the end of current similar schemes.

¹ Rural Services Network, Sparse Analysis – Business Enterprise Counts 2015-2020.

² Ashford Borough Council, Ashford to Zero Plan, 2021.

³ Rural Services Network, Revitalising Rural – Decarbonising Rural Communities and Economies, May 2021.

⁴ HM Government – BEIS, Net Zero Strategy October 2021, Chapter 3iv Heat & Buildings, p135.

Overview of the scheme

The Ashford Rural Business Green Grant Scheme will provide grants up to £5,000 or £15,000 to support the energy efficiency or energy transition projects in commercial premises in rural parts of the borough.

Applications will open in rounds, with the first round being from December 2023 to January 2024. Applications submitted outside of these times will not be considered subject to significant material considerations and mitigating factors. These dates may vary at short notice depending on the level of applications the council receives.

The council reserves the right to close applications if the funding is likely to be committed, is committed or has been spent.

Once the project is complete and any equipment is installed, the materials and equipment will become the property of the applicant. It is the applicants' responsibility to maintain these accordingly.

Ashford Rural Businesses Green Grant Structure

The scheme will be made up of two grant streams:

- Energy Efficiency Grant: A grant of up to £5,000 for a business that will undertake projects to improve the energy efficiency of its premises.
- Energy Transition Grant: A grant of up to £15,000 for a business that will undertake projects to change the sources of its energy at its premises.

These grants cannot be used in conjunction with each other. For example recipients of the Energy Efficiency Grant cannot access funding from the Energy Transition Grant as well. They can be used in conjunction with other financial support schemes available beyond the two named above, subject to those other schemes allowing this. Applicants that have either received a grant from one of these two schemes, or that have already submitted a grant application which is being assessed, will not be considered.

Energy Efficiency Grant Details

The intention of this grant is to facilitate energy efficiency projects in commercial premises in rural areas of the Ashford Borough.

Eligibility Criteria

1. Micro, Small or Medium businesses with no more than 50 employees working at the subject site.
2. The subject commercial premises must be located within the designated Rural area [as defined under 'Rural England Prosperity Fund' by the Department for Environmental and Rural Affairs \(Defra\)](#). Where the site or the wider land crosses across the designated area the Council reserves the right to assess these on a case by case basis. See Appendix A.
3. The business can demonstrate the need and the expected benefits of the works proposed.
4. Individual landlords are eligible to apply for this funding.

What will the funding help cover

Through this grant, Ashford Borough Council will support the purchase and installation of material or equipment that improves the energy efficiency of a business' commercial property in the rural area.

Examples of capital projects that the grant could support include:

- Retro-fitting insulation
- Installing LED or other energy efficient lighting systems
- Installation of double or secondary glazing

Works that may require Planning Applications (such as Listed Building Consent, Advertising Consent or similar) can be considered. Applicants will need to submit their Planning Application, if required, before submitting the grant application.

Eligible tenants within premises owned by Ashford Borough Council will not be able to apply for the Energy Efficiency Grant if it is for works that are the responsibility of the landlord or are already programmed to be undertaken. If that does not apply, eligible Ashford Borough Council commercial tenants will be able to apply for work that does not benefit the council, which includes:

- Any works from the above-listed that are not the responsibility of Ashford Borough Council as landlord.

What is not covered by the funding

Due to the capital nature of the Rural England Prosperity Fund (REPF), some costs associated with these projects may not be eligible for this grant. The applicant will need to show these costs have been considered and they are able to fund these separately. These include but are not limited to:

- Professional fees such as Planning or Legal fees
- Revenue costs such as running costs, subscriptions, licences or promotional activity
- Insurances and ongoing maintenance costs
- Applicant's admin costs

Levels of Grant

Applicants are required to provide fully costed quotes of the works being proposed. The assessment will consider this and, if successful, applicants will receive a grant equivalent to 80% of the cost of works. The maximum level of grant allowed under this scheme is £5,000.

In exceptional circumstances the council reserves the right to award a higher level of grant where this may be necessary and where there is supporting and significant additional evidence have been submitted.

Information and evidence needed for application

- A completed application form
- Evidence that:
 - The applicant is the freeholder or leaseholder or where written consent from the site owner to carry out the work, has been obtained and submitted
 - The applicant has the funds available for their share of the project costs (20%)
 - The applicant should demonstrate they have considered the Planning guidance in relation to their project and have submitted a Planning Application where necessary

- For projects costing up to £3,123 one fully costed quote for the works is necessary. For projects costing more than this, three fully costed quotes will be necessary.
- An energy audit report or EPC assessment undertaken for the property if available
- Recent photos of the site, clearly showing the areas the project will address
- Details of any grants or funding received from a public authority in the previous three years
- Any further information or evidence required or which the applicant considers relevant

Monitoring and Assurances

The grant will be paid to successful applicants once conditions are met such as (but not limited to):

- The works proposed are due to start imminently and be completed in a reasonable time
- Any permissions such as Planning Permission have been successfully obtained

The condition of payment for this grant will be included in the decision notification sent to the applicant and is discretionary (to be applied on a case by case basis). For grant applications requiring a Planning Application, the grant can only be paid if Planning Permission has been received by the applicant.

The council reserves the right to attend the site to monitor the progress of work until the expected end date detailed in the applicant's proposal. The council has the discretion to reclaim the grant funding if the conditions are not met within a reasonable time.

Terms and Conditions

- Quotes for the work must be provided
- Grant applications (and relevant Planning Applications) must be made before work takes place
- Our staff must be allowed to inspect the works and see all relevant documentation
- It is the responsibility of applicants to comply with all relevant regulations and legislation
- It is the responsibility of applicants to check and confirm whether they comply with the Subsidy Control requirements (formerly State Aid)
- Applicants agree to report quarterly to the council on progress of their project and outcomes linked to the REPF guidance.
- Applicants agree to comply with the REPF and UKSPF marketing and branding guidelines linked to their project
- Any grant money awarded, must be repaid within 1 year of the payment if:
 - The applicant removes the materials or equipment within 12 months of receiving the grant (regardless of whether the applicant moves property)
 - The applicant does not maintain the equipment or the utilities connections during the 12 months after receiving the grant
 - Works are undertaken without obtaining the relevant permissions or licences as needed

- The works are not undertaken

Energy Transition Grant Details

The intention of this grant is to facilitate energy transition projects in commercial premises in rural areas of the Ashford Borough.

Eligibility Criteria

1. Micro, Small or Medium businesses with no more than 50 employees working at the subject site.
2. The subject commercial premises must be located within the designated Rural area [as defined under 'Rural England Prosperity Fund' by the Department for Environmental and Rural Affairs \(Defra\)](#). Where the site or the wider land crosses across the designated area the Council reserves the right to assess these on a case by case basis. See Appendix A.
3. The business can demonstrate the need and the expected benefits of the works proposed.
4. Individual landlords are eligible to apply for this funding.

What will the funding help cover

Through this grant, Ashford Borough Council will support the purchase and installation of alternative energy sourcing equipment that improves the carbon footprint of a business' commercial property in the rural area.

Examples of capital projects that the grant could support include:

- Installation of Solar PV panels
- Installation of Air or Ground Source Heat Pumps
- Connecting the property to the grid

Works that may require Planning Applications (such as Listed Building Consent, Advertising Consent or similar) can be considered. Applicants will need to submit their Planning Application, if required, before submitting the grant application.

Eligible tenants within premises owned by Ashford Borough Council will not be able to apply for the Energy Transition Grant if it is for works that are the responsibility of the landlord or are already programmed to be undertaken. If that does not apply, eligible Ashford Borough Council commercial tenants will be able to apply for work that does not benefit the council, which includes:

- Any works from the above-listed that are not the responsibility of Ashford Borough Council as landlord.

What is not covered by the funding

Due to the capital nature of the Rural England Prosperity Fund (REPF), some costs associated with these projects may not be eligible for this grant. The applicant will need to show these costs have been considered and they are able to fund these separately. These include but are not limited to:

- Professional fees such as Planning or Legal fees
- Revenue costs such as running costs, subscriptions, licences or promotional activity
- Insurances and ongoing maintenance costs
- Applicant's admin costs

Levels of Grant

Applicants are required to provide a fully costed quote of the works being proposed. The assessment will consider this and, if successful, applicants will receive a grant equivalent to 80% of the cost of works. The maximum level of grant allowed under this scheme is £15,000.

In exceptional circumstances the council reserves the right to award a higher level of grant where this may be necessary and where there is supporting and significant additional evidence have been submitted.

Information and evidence needed for application

- A completed application form
- Evidence that:
 - The applicant is the freeholder or leaseholder or where written consent from the site owner to carry out the work, has been obtained and submitted
 - The applicant has the funds available for their share of the project costs (20%)
 - The applicant should demonstrate they have considered the Planning guidance in relation to their project and have submitted a Planning Application where necessary
- For projects costing up to £3,123 one fully costed quote for the works is necessary. For projects costing more than this, three fully costed quotes will be necessary.
- An energy audit report or EPC assessment undertaken for the property if available
- Recent photos of the site, clearly showing the areas the project will address
- Details of any grants or funding received from a public authority in the previous three years
- Any further information or evidence required or which the applicant considers relevant

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The condition of payment for this grant will be included in the decision notification sent to the applicant and is discretionary (to be applied on a case by case basis). For grant applications requiring a Planning Application, the grant can only be paid if Planning Permission has been received by the applicant.

The council reserves the right to attend the site to monitor the progress of work until the expected end date detailed in the applicant's proposal. The council has the discretion to reclaim the grant funding if the conditions are not met within a reasonable time.

Terms and Conditions

- Quotes for the work must be provided
- Grant applications (and relevant Planning Applications) must be made before work takes place

- Our staff must be allowed to inspect the works and see all relevant documentation
- It is the responsibility of applicants to comply with all relevant regulations and legislation
- It is the responsibility of applicants to check and confirm whether they comply with the Subsidy Control requirements (formerly State Aid)
- Applicants agree to report quarterly to the council on progress of their project and outcomes linked to the REPF guidance.
- Applicants agree to comply with the REPF and UKSPF marketing and branding guidelines linked to their project
- Any grant money awarded, must be repaid if:
 - The applicant removes the materials or equipment within 5 years of receiving the grant (regardless of whether the applicant moves property)
 - The applicant does not maintain the equipment or the utilities connections during the 5 years after receiving the grant
 - Works are undertaken without obtaining the relevant permissions or licences as needed
 - The works are not undertaken

Subsidy Control (formerly State Aid)

A subsidy is where a public authority such as a Local Authority provides support to an enterprise that gives them an economic advantage, meaning equivalent support could not have been obtained on commercial terms.

On 4 January 2023, the UK's new subsidy control regime came into force, implementing a new subsidy regulation framework designed for the post-Brexit era. Underpinned by the [Subsidy Control Act 2022](#) (the "Act"), related statutory instruments and government guidance, the new regime aims to grant public authorities the power to design and award subsidies in an agile way while complying with the UK's international commitments on subsidy control.

For smaller value subsidy awards, Minimal Financial Assistance (MFA) allows financial assistance of up to a maximum limit of £315,000 to be made to a single enterprise within a rolling period of three financial years (consisting of the current financial year and the two previous financial years), without the need to comply with the majority of the subsidy control requirements.

However, MFA requires a written declaration from the beneficiary confirming that the limit has not been exceeded before the subsidy can be awarded. This effectively mirrors the historic EU De Minimis regime but sets the threshold at a fixed sterling amount and at a higher level than previously.

Applicants will therefore be required to provide information and a declaration in relation to subsidies they may have received in the previous three years.

Exclusions to these grant schemes

- 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.
- Projects or work that has already been undertaken will not be eligible. This funding is not retrospective.
- Businesses that have already received grant payments that equal the maximum permitted levels of subsidy will not be eligible to receive funding. (See Subsidy Control section above)
- Project proposals that have already received, or are eligible to apply for, funding from Department for Environment, Food and Rural Affairs (Defra) are not eligible.
- Businesses or organisations that have already received funding from another REPF funded grant programme, or projects that are eligible for another REPF grant programme, as administered by Ashford Borough Council, will not be eligible for this scheme. See Appendix B for other REPF programmes administered by Ashford Borough Council.
- Sites that are located outside of the designated Rural area as defined by Defra for the purposes of this funding. See Appendix A.
- This funding should not be used as a wage support mechanism or for revenue costs such as ongoing maintenance or utilities costs.
- This funding cannot be used to pay for costs directly to Ashford Borough Council (for example Planning applications) or for significant work to the Council's land/property that falls within a schedule of maintenance and for which the council is responsible as owner.

Decisions

The funding available for these grant schemes is very limited and the council will likely need to prioritise applications to provide best value for money. Decisions will be taken by a panel on a monthly basis. Each round of decisions will prioritise eligible applications based on the impact of their project as well as the deliverability of their proposal.

Applications will only be taken forward to be decided where all the relevant information and evidence has been submitted by the applicant. The decision to award any grants under this scheme will be taken by a panel chaired by the Head of Policy and Performance. The decision reached by the panel will be final and the council will not consider any appeals submitted. Applicants will subsequently be notified of the outcome of their application. For grant applications requiring Planning, the decision whether to award a grant will be dependent on the approval of Planning Permission. For grant applications during this period that do not require Planning Permission, the decision will be dependent on the content and evidence included in the grant application.

In exceptional circumstances the council reserves the right to accept applications that may not meet all the criteria set out in this policy, where it can be shown that the impact of that proposal would have an exceptionally positive and wider reaching impact.

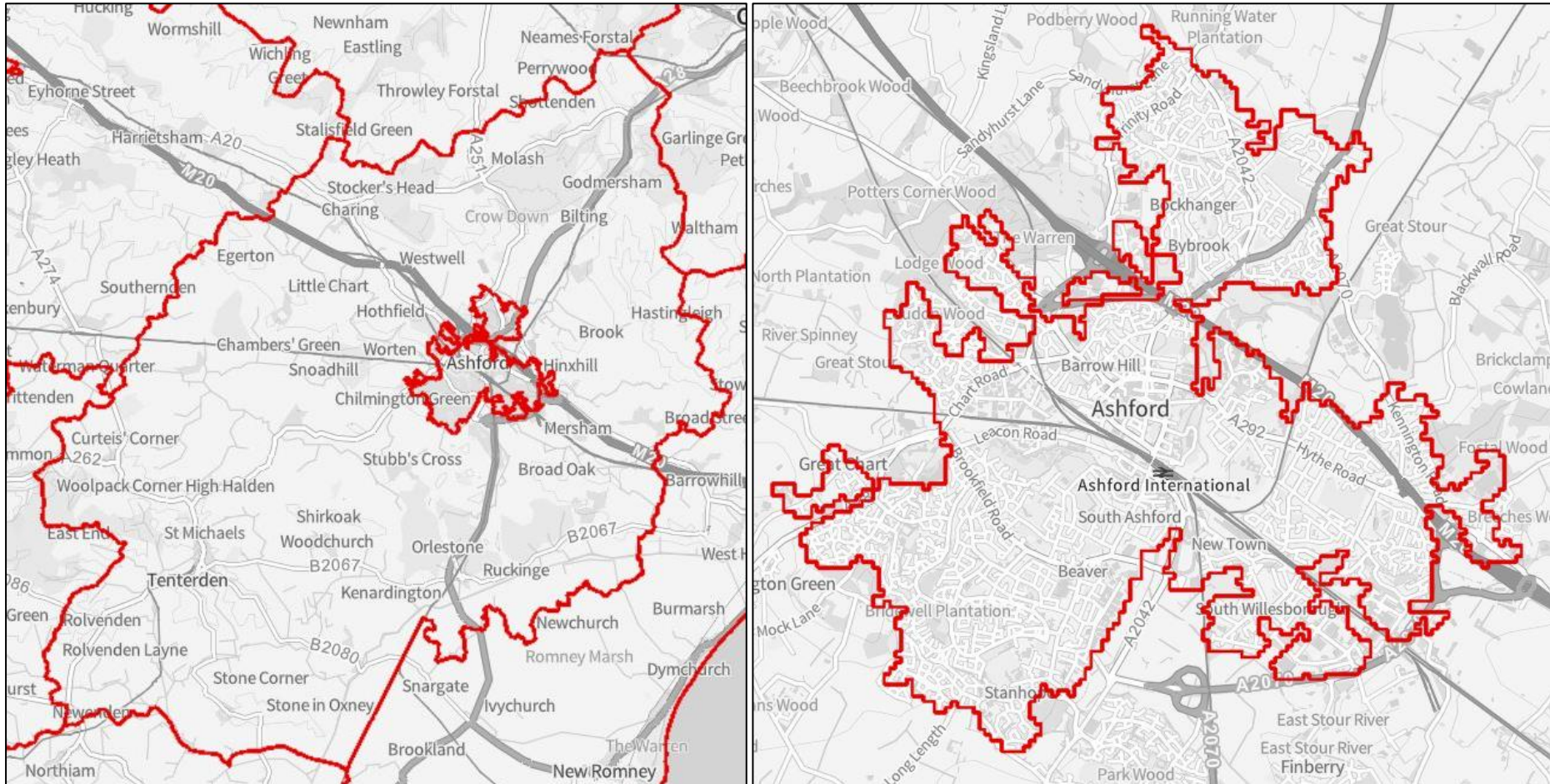
Due to its very limited nature, once the funding is completely allocated there will be no further applications or grants available to interested businesses.

Queries

All enquiries about this grant funding and this policy should contact prosperity.funding@ashford.gov.uk.

Appendix A

Ashford Rural EVCP Grants – Maps



Eligible areas: the areas outside the Ashford Urban Area. An interactive map is available on the Defra website [here](#). In the table of contents please choose Administrative Geographies → Other Administrative Boundaries → Rural England Prosperity Fund)

Appendix B

Ashford REPF Programmes and other Defra Funding

Projects that have received or are eligible for any of the funds listed below (and any other Defra funding not listed) will not be eligible. Applicants who have received or are eligible for the below funds may be eligible subject to the proposed project not being eligible.

Ashford REPF Programmes

- Rural Electric Vehicle Charging Point Grants
- Rural Community Amenities Grants
- Rural Place and Provenance Grants

Defra Funding includes:

- Sustainable Farming Incentive
- Countryside Stewardship
- Landscape Recovery
- SFI Offers
- Species Survival Fund (via Heritage Fund)
- Farming in Protected Landscapes
- Calf Housing for Health and Welfare Grant
- England Woodland Creation Grant
- Woodland Creation Planning Grant
- Tree Health Pilot scheme 2023
- Farming Investment Fund
- Water Management Grant
- Slurry Infrastructure Grant
- Adding Value Grant
- Basic Payment Scheme (BPS) (including delinked payments)