BMSDC Grants - Communities
Babergh and Mid Suffolk District Councils
Community Development Grant – Babergh

1. Introduction

Babergh District Council offers Community Grants to organisations that deliver community support, projects or activities within Babergh. Our Plan for Babergh outlines the priorities of Babergh District Council. All funding awarded by the Council aligns to one or more of our priorities.

These notes are designed to help you complete our Community Development Grant application forms and we suggest that you read them through fully before you complete the forms.

Details on our available Grants can be found on our website. View information on Community Grants in Babergh or Mid Suffolk.

2. Community Development Grants

Eligible towards revenue, capital or pre-project costs or activities, up to 100% of total project costs (to a maximum grant of £10,000). Applicants can only make one application per financial year to the Community Development Grant.

Applications must demonstrate a clear need for their project/organisation within Babergh and wider community benefit. Applications which are not fully filled or lack required supporting documentation will not be considered eligible.

Match funding is not required, though is encouraged.

3. Terms and Conditions

3.1. Organisations

Applications for grants will only be considered from constituted Voluntary, Community, Faith and Social Enterprise (VCFSE) organisations which:

- Provide a service for the benefit of Babergh and/or Mid Suffolk residents
- Are capable of obtaining from its own funds or other sources sufficient funding to cover the total project costs
- Are financially viable, as evidenced by audited or independently examined accounts.
- Have Safeguarding, Health and Safety and Equal Opportunities policies for employees, volunteers and attendees
- Provide services which align with the Council's priorities, do not duplicate services already being provided/grant aided, and will meet proven identified needs. In the case of 'start up' initiatives, evidence of the need for the new service needs to be supported and reflect community demand

3.2. Community Interest Companies

A Community Interest Company (CIC) is a form of limited company that may be limited by shares or guarantee. The Council only accepts applications for Community Grants from CICs that are **limited by guarantee**.

A CIC operates like a standard limited company, with directors overseeing its activities, but its purpose must benefit the community, not generate profit for members. The concept of community can have a wide range of meanings, from the population to a section of the community, such as the residents of a particular area or a group of people suffering from a particular disadvantage.

If directors are also the only members, they must act collectively, share responsibility, and comply with collective decisions—even if they personally disagree. CIC directors can be paid a salary which is treated as an employee's wage for tax purposes. Therefore, to be eligible for Council funding, a CIC must:

- Be limited by guarantee
- Have at least two unrelated directors
- Evidence that no single director has excessive control (i.e., no individual holds 50% or more of voting rights; has the power to appoint/remove directors; or is listed as a Person with Significant Control (PSC) with Companies House)

Your governing documents must demonstrate:

- A clear social purpose
- That profits are not distributed
- A minimum of two directors, with no Person with significant Control (PSC) registered with Companies House
- A quorum of at least two directors for meetings
- An asset lock to ensure remaining assets go to a similar organisation upon closure (if you have not nominated an asset lock body within your articles of association, you will need the regulators consent to transfer any residual assets)

Trading: Your enterprise should be generating income through trading or contracts (or planning to). Grants are generally not awarded for core running costs unless an income stream is already established.

Accounts: You must provide annual accounts showing:

- All income sources, including traded income, grants, and donations. If this is not clearly shown, extra information will be required.
- Show defined expenditure for the past 12 months.
- Note any SCF funding as a restricted grant.

You may also need to disclose:

- The number of directors who are paid employees
- The salary levels of paid directors
- Your last CIC34 Annual CIC Report

3.3. Ineligible Organisations

Community Development Grants are not available for:

- Private individuals

- For-profit businesses
- Statutory authorities
- Schools where there is no wider community benefit
- Churches where there is no wider community benefit
- Community groups without an independent bank account
- Activities promoting religious or political beliefs
- Services commenced or goods ordered prior to Grants being awarded

3.4. VAT

If your organisation is registered for and can reclaim VAT, any Grant awarded will be exclusive of VAT. If your organisation is unable to reclaim VAT, Grants awarded will be inclusive of VAT.

3.5. Conditions

- Projects should deliver community benefits, and these benefits as well as project outcomes should be identified as part of the application process.
- All services/projects need to be delivered within a specified time period. By the end of the period the services/project should be sustainable, or have a plan in place for future funding.
- To ensure best value for money, a minimum of two quotes are required for capital purchases and expenditure.
- Projects cannot be retrospectively funded, i.e. applications cannot be submitted for projects or purchases already completed/commenced.
- Where appropriate, applicants will need to provide evidence of their land tenure, usually ownership (freehold) or a lease with at least 10 years un-expired at the time of application.
- A grant approval given in advance of other decisions required from the Council does not imply that any other form of consent by the Council will be forthcoming, such as Planning Permission, Building Regulations approval or Community Infrastructure Levy bids.
- Some applications will need to be supported with additional documentation so that an accurate and complete understanding of the proposal is provided. The amount of information and supporting documentation to be provided should be proportionate to the project, namely its size, complexity, and cost, and this can be discussed with the Grants Team prior to application submission.
- Where the application provides a facility or service that extends beyond the boundaries of the Babergh/Mid Suffolk area, consideration will be given to the funding secured from neighbouring local authorities when assessing the level of Babergh/Mid Suffolk support applicable.
- The Council reserves the right to request a copy of any applying organisation’s policies or constitution prior to an application being assessed or funding being released to a successful applicant.
- If any conditions are breached, the Council reserves the right to seek recovery of all or part of the grant. If you do not immediately repay these monies, when requested to do so by the Council, the Council reserves the right to commence County Court proceedings for recovery of the outstanding monies, together with interest and Legal costs.
- Funding will not be released until the full funding package for the project has been evidenced.
- Equipment purchased or facilities built or improved must not be sold within 5 years of receiving funding.

4. Eligible Projects and Costs

A range of projects and costs can be applied for through Community Development Grants. Applications can include more than one element, i.e., an application can encompass pre-project costs as well as revenue costs.

4.1. Capital Projects

Funding is available towards repairs or improvements to social infrastructure, such as village halls, play areas and playing fields, sports clubs and facilities, and youth groups. Funding is also available to Charities seeking to make capital purchases or improvements to their facilities.

Funding is not available towards the purchase of land, or projects where there is not wider community access. Additionally, funding cannot be applied for towards highways projects such as road signage or any project on the road surface itself (i.e. kerbs, road painting, fixed speed reduction measures). Babergh and Mid Suffolk District Councils are not the responsible authority for Highways and unable to fund statutory works, which come under the remit of Suffolk County Council.

4.2. Revenue Costs

Grants can be awarded towards an organisation's core running costs, such as salaries or administrative costs. Funding is limited to organisations which can demonstrate community benefits delivered to a larger area than a specific village or Parish within Babergh and/or Mid Suffolk.

Costs which can be applied for can include the following:

- Management and administration
- HR and payroll
- General office expenses
- Accountancy and audit
- Communications and outreach
- Monitoring, evaluation, and learning
- Governance, regulatory, and compliance costs
- Facility and energy costs

Ineligible costs include the following:

- Purchase of equipment or capital costs

Parish and Town Councils are ineligible to apply towards revenue costs.

Funding is limited to one financial year's running costs, with the exception of organisations identified as strategic partners.

4.3. Revenue Projects

Funding is available towards the delivery and running costs of new and existing community groups and services. This may include wellbeing groups, projects that support communities to reduce isolation, improve social contact and improve wellbeing.

Ineligible projects and costs include the following:

- Purchase of equipment where there is no clear evidence of need
- Fundraising events
- One-off revenue costs such as trips and outings, without a long-term benefit to the community

- Grants, bursaries and vouchers to individuals

4.4. Pre-Project Costs

Costs that will enable the delivery of larger projects are eligible for applications through Community Development Grants. This may include feasibility studies or architectural costs. Obligations such as planning application fees and building regulations approval costs are not eligible.

4.5. Cultural Organisations or Projects

Organisations delivering cultural projects or seeking revenue cost support with wider community benefit may apply, with applications needing to align to the Culture, Heritage and Visitor Economy Strategy.

5. Process

There will be one application window per financial year, with the application window opening in November 2026. Successful applicants will be awarded funding for the 2027/28 financial year.

5.1. Pre-Application

Applicants may wish to have pre-application discussions with the Grants Team. This can be started with a Grant Enquiry Form or an email enquiry to the Grants Inbox. Site visits to prospective projects may also be available.

5.2. Application Process

Completed grant applications to be emailed to: BMSDCGrants@baberghmidsuffolk.gov.uk by no later than the stipulated deadline.

Each completed application form to be accompanied by a copy of latest accounts and (if a capital project) a minimum of 2 quotes for any proposed works, or a valid reason if a single quote is provided. Copies of Policies (Equal Opportunities, Health & Safety, Child and Adult Safeguarding) should also be linked to, or provided.

5.3. Assessment

All applications will be scored by a publicly available scoring matrix. Applications which score under 50% on the Community Development Grant Scoring Matrix will not be considered eligible for funding.

In assessing your application priority will be given to applications that demonstrate wide community engagement, community involvement and evidenced benefit. Any application for funding to support or extend existing community assets and services must also demonstrate and evidence clear community need and evidence this.

Applicants should be clear that priority will be given to applications with the widest community benefit.

5.4. Offer Letters

Successful applicants will receive an offer letter setting out conditions, outcomes and the period during which the service/project needs to be completed and the grant offer claimed. Offers are valid for **4 weeks**, and after this period the offer will expire.

If any service/project fails to meet any of the conditions contained in the grant offer letter or the agreed targets/outputs, then consideration will be given to the grant offer being withdrawn and any grant monies already paid being recovered together with any interest applicable.

5.5. Payment

For revenue cost applications, funding will be released on receipt of a signed offer letter. For Capital or pre-project cost applications, funding will be released on receipt of invoices/receipts showing that expenditure has taken place. Projects must complete within 12 months of funding being awarded.

If any service/project fails to meet any of the conditions contained in the grant offer letter or the agreed targets/outputs, then consideration will be given to the grant offer being withdrawn and any grant monies already paid being recovered together with any interest applicable.

6. Contact

If you have any queries, would like more information or would like to discuss a potential project and funding application, please email the Grants Team at BMSDCGrants@baberghmidsuffolk.gov.uk.