

# SMALL PRODUCERS PILOT FUND (SPPF) – CAPITAL GRANTS FREQUENTLY ASKED QUESTIONS (FAQs)

## **What is the point of the SPPF Capital Grant?**

The Small Producers Pilot Fund provides capital funding to support the small producer food and drink sector across Scotland.

Funding is targeted at organisations that deliver services or benefits to groups of small producers such as food hubs, producer groups, communal infrastructure, abattoirs, etc.

Projects should aim to achieve one or more of the following outcomes:

- Increased levels of innovation and productivity
- Sustainable local food and drink production
- Improved collaboration
- Increased energy efficiencies
- Strengthened and/or shortened supply chains
- Sustained jobs in rural communities
- Strengthened local economy

## **How can I apply?**

You can apply or find out more information about how to apply through the [South of Scotland Enterprise](#) (SOSE) or [Highlands and Islands Enterprise](#) (HIE) websites.

Your physical location will determine who you need to apply to. Check the [map](#) here to find out your area.

You need to fill in an Expression of Interest Form first so that SOSE and HIE can assess your eligibility.

## **When will I know if I have been successful in my application?**

Your application will be considered and assessed to the deadline set for your region.

## **I am in the Scottish Enterprise region; can I still apply?**

Yes. The Scottish Enterprise area is being managed on their behalf by SOSE, so you can apply via the [SOSE](#) website.

## **The size of my holding is above 30 hectares why am I not a small producer?**

The Ministerially appointed Small Producer Steering Group defined individual Small Producers as:

1. Have a holding no larger than 30 hectares (excluding common grazing).
2. Are active with an annual turnover of less than £2 million.
3. Have a Business Reference Number (BRN). (For landless applicants, please include flock number).
4. Have a primary business producing raw materials or food and drink for sale.
5. Have less than 10 employees, including seasonal and self-employed workers but excluding apprentices and volunteers.
6. Groups of smallholders and individual businesses who directly support groups of smallholders.

The group also agreed that the fund should target four strategic areas to maximise impact:

- Skills Development – Providing training to build knowledge and capacity among small producers.
- Innovative Projects – Supporting initiatives like private kill facilities, horticulture development, and a central information hub.
- Supply Chain Solutions – Offering short-term funding to boost innovation and knowledge sharing across local food supply chains.
- Impact Tracking – Implementing robust monitoring and evaluation to measure success and guide future improvements.

This position, agreed and approved by Scottish Ministers in 2023, is aligned to EU outcomes for small farms and is fundamental to the on-going pilot work.

**I have not been in business for a year yet, can I still apply?**

Yes. You need to fill in an Expression of Interest Form first so that SOSE and HIE can assess your eligibility.

**We have an idea for a project who can we speak to?**

You can contact HIE advisors or SOSE coaches to explore your options and eligibility.

**Why is the pot of money so low, will you make more money available if there is demand?**

This is a pilot and we are testing the demand for support and how involving economic support partners can help applicants develop their business. This will help us to learn and be able to improve the pilot going forward.

**How will you make sure that we don't have same issues as FFIS did?**

We have clearly outlined the eligibility criteria for funding. If your business or organisation does not meet these criteria, you will not be eligible to apply.

**Can I apply for SPPF Capital Grants directly from the Scottish Government?**

No.

**How much funding is available per region?**

HIE region: £175,000

Scottish Enterprise region: £162,500

SOSE region: £162,500

**What is the maximum level of grant I can apply ?**

Applications can be up to £50,000, but applications of this size will need to provide benefits to lots of small producers to be considered for this type of funding .

**Can I get 100% support for the cost?**

It will be possible for some applicants to get up to 100% of capital costs. But this is not expected to be the case very often, most awards will range between 75–100%, depending on the application and state aid rules.

**Can I use the SPPF capital grant at any time?**

No. You must complete your project and claim for your money by 10 March 2026. If you need planning permission for your project, you must have this place before you submit your Expression of Interest form. You may need to provide evidence of your planning permission.

**Where can I find full terms and conditions?**

You can find these by going to the [HIE](#) and [SOSE](#) websites for detailed guidance.

**Can I use SPPF Capital for labour costs?**

No. The grant is for capital investment only.

**I am having difficulty completing the Expression of Interest form. What should I do?**

You can contact [SOSE](#) here and [HIE](#). They have dedicated teams to support your queries.

**Can I apply for SPPF Capital Grant if I've already received another Scottish Government capital fund this financial year?**

You cannot get funded for the same thing twice so if you have already been awarded another Scottish Government capital fund through CAGS or FFIS or some other Scottish Government funded grant this financial year, you cannot claim for the same thing.

**Can large businesses or organisations apply?**

Only if you can prove your project will directly support small producers, meets their needs and contributes to local food supply chains. Eligibility will also be subject to enterprise agency terms and conditions.