

EXECUTIVE BOARD MEMBER

4 MAY 2016

Executive Board Member:	Portfolio:
Cllr. Meryl Gravell	Regeneration & Leisure

Transformations Commercial Property Development Fund

Recommendations / key decisions required:

To approve the eligibility criteria and proposed procedures for delivery of the Transformations Commercial Property Development Fund.

Reasons: Maximising Job Creation in Carmarthenshire

Directorate	Designation	Tel: 01269 590241
Name of Head of Service: Stuart Walters	Acting Economic Development Manager	SWalters@carmarthenshire.gov.uk
Report Author: Mike Bull	Physical Regeneration Strategic Programme Manager	Tel: 01267242393 MABull@carmarthenshire.gov.uk

Declaration of Personal Interest (if any): None

Dispensation Granted to Make Decision (if any):

DECISION MADE:

Signed:

DATE: _____

EXECUTIVE BOARD MEMBER

The following section will be completed by the Democratic Services Officer in attendance at the meeting

Recommendation of Officer adopted	YES / NO
Recommendation of the Officer was adopted subject to the amendment(s) and reason(s) specified:	
Reason(s) why the Officer's recommendation was not adopted:	

EXECUTIVE SUMMARY
EXECUTIVE BOARD MEMBER REGENERATION AND LEISURE
4 May 2016

Transformations Commercial Property Development Fund

Background

The authority proposes to make available funds from the 2016/2017 and 2017/18 financial year's capital allocation to provide grant aid assistance to commercial property developers to meet the financial gap between the construction costs and the completed market value of the commercial property. The incentive on offer is aimed to stimulate the supply of high quality business premises within Carmarthenshire by offering funding towards high quality industrial units or office accommodation. The programme has a fixed budget of £3m

Proposed Eligibility Criteria

It is proposed that:

The buildings to be developed will be based in the following key strategic employment areas of Carmarthenshire namely: Cross Hands Growth Zone; Carmarthen; Ammanford; Llanelli; Llanelli Coastal Belt; Rural Carmarthenshire. Exceptional Projects that fall outside of these sites but within Carmarthenshire will also be considered on a case by case basis.

- All applicants must be economically and financially viable.
- The level of funding required will be established by a development appraisal, and should reflect the difference between the anticipated capital cost of the scheme and the anticipated completed market value of the premises. The Grant is to be operated with state aid cover under the Welsh Local Government Capital Investment Aid and Employment Aid Scheme. State Aid reference SA.39123. Levels of funding will be restricted to the State Aid thresholds

Proposed Application & Prioritisation Process

It is proposed that:

- A two stage application process be applied with stage one applications being considered by a project panel on a "challenge" principle basis.
- Project panel to consider applications and invite applications to proceed to detailed application stage with priority being given to projects that will provide: tangible benefits to the local economy in terms of potential jobs accommodated; value for money; floor area of new premises to be developed; Proposed end tenant's use and quality of proposed jobs to be created; impact on Swansea Bay City Region & Transformational Strategy Objectives; and cross cutting Cross cutting issues addressed by the project including Impact on Welsh Language
- successful applicants will then be requested to submit a more detailed Stage 2 application form and documentation no later than 31 January 2017
- The decision making panel and Council's Executive Board Member will then assess and consider the individual stage 2 applications.
- Construction to be completed **no later than 31 March 2018.**

Recommendations:

1. To approve the proposed eligibility criteria as set out above
2. To approve the proposed application & prioritisation process as set out above

DETAILED REPORT ATTACHED ?	No
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Wendy Walters

Assistant Chief Executive

Policy and Crime & Disorder YES	Legal YES	Finance YES	ICT NONE	Risk Management Issues NONE	Organisational Development NONE	Physical Assets NONE
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1. Policy

- All applicants will be required to provide a copy of their Welsh Language Policy as part of the application process.

2. Legal

- CCC legal team have considered the ability of the authority to award grant with state aid cover under the Welsh Local Government Capital Investment Aid and Employment Aid Scheme and have concluded that exemption to state aid applies.
- The terms and conditions of grant & legal agreements that will be issued to applicants is being considered by CCC legal
- As a condition of grant Legal charges will need to be registered with the land registry on all buildings that are supported under the programme

3. Finance

- The £3 million capital funding required for the scheme has been confirmed in the 2016/17 and 2017/18 Capital Programme
- There are revenue implications such as costs for initial marketing of the schemes and registering legal charges. These costs will be picked up within Economic Developments Current Rural Revenue Budget
- In line with current policy, the finance department will need to undertake a financial assessment of proposed applicants and tendering contractors and list their recommendations in a report for the decision making panel.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Wendy Walters

Assistant Chief Executive



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1. Scrutiny Committee N/A

2. Local Member(s) N/A

3. Community / Town Council N/A

4. Relevant Partners N/A

5. Staff Side Representatives and other Organisations N/A

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THERE ARE NONE