

**CABINET MEMBER: REGENERATION, LEISURE, CULTURE
& TOURISM
21ST OCTOBER 2024**

Cabinet Member:	Portfolio:	
Cllr. Hazel Evans	Regeneration, Leisure, Culture & Tourism	
CARMARTHEN RURAL ENTERPRISE FUND – CREF		
Recommendations / key decisions required:		
To agree the following changes to the Carmarthenshire Rural Enterprise Fund		
<ul style="list-style-type: none"> i) Increase the amount of grant per FTE job created from £20,000 to £30,000. ii) Increase the intervention rate from 45%-50%. iii) To award future funding under the MFA subsidy scheme. iv) Increase the maximum grant available from £200,000 to £240,000. v) The grant will now be made available to businesses county wide. vi) To rebrand the scheme as Carmarthenshire Enterprise Fund – CEF. 		
Reasons:		
To enable viable owner occupier capital build projects to be brought forward across Carmarthenshire that will result in business growth and creation of jobs. The changes will ensure that the grant is more accessible for a wider range of businesses who for a variety of reasons have previously been unable access the funding.		
Directorate Name of Head of Service: Simon Davies	Designation Head of Economic Development and Property	Tel No: 01267 242336 sidavies@carmarthenshire.gov.uk
Report Author: Mike A Bull	Economic Development Funding & Business Manager	Tel No: 01267 242393 MABull@carmarthenshire.gov.uk

Declaration of Personal Interest (if any):

N/A

Dispensation Granted to Make Decision (if any):

N/A

DECISION MADE:

Signed:

DATE: _____

CABINET 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
CABINET MEMBER: REGENERATION, LEISURE, CULTURE & TOURISM
21ST OCTOBER 2024

CARMARTHENSHIRE RURAL ENTERPRISE FUND

BRIEF SUMMARY OF PURPOSE OF REPORT.

Since its launch in 2016 the Carmarthenshire Rural Enterprise Fund has supported 25 Rural businesses to deliver 90,000 sq ft of additional or improved employment space, has created 151 jobs, and resulted in an investment of £5.5m into the Rural Carmarthenshire economy.

Currently the funding is open to business owners based in Rural Wards of the County to provide new or improved employment space where jobs are to be created within 3 years of completion of the build. The maximum grant is £200k and grant is based on a maximum of 45% of eligible project cost or £20k per job to be created, whichever is the lesser figure. The existing fund is operated under the Welsh Local Government Association legacy subsidy control scheme which limits interventions to 45% of eligible project cost.

Having relaunched the fund in August 2023 the project team have over the last twelve months been monitoring the scheme to both identify barriers to applicants who having expressed an interest in moving forward with an application but have then subsequently withdrawn from the process and to barriers to applicants who are ruled out of the process due to ineligibility.

Those barriers include:

- Intervention rate being lower than gap between cost of construction and end value of building.
- Increase in cost of construction and limitations of the fund criteria.
 - Maximum grant of £200k
 - £20k per job figure
- The schemes eligible boundary restrictions excluding interested applicants who fall outside eligible area but don't have any alternative suitable funding option.

The recommendation below sets out some proposed additional changes to the funding criteria of the scheme to ensure that the fund is current and that it can provide appropriate support to Carmarthenshire's businesses.

Recommendation:

To agree the following changes to the Carmarthenshire Rural Enterprise Fund

- i) Increase the amount of grant per FTE job created from £20,000 to £30,000.
- ii) Increase the intervention rate from 45%-50%.
- iii) To award future funding under the MFA subsidy scheme to enable increase in intervention rate to 50%
- iv) Increase the maximum grant available from £200,000 to £240,000.
- v) The grant will now be made available to businesses county wide.
- vi) To rebrand the scheme as Carmarthenshire Enterprise Fund – CEF.

**DETAILED REPORT
ATTACHED ?**

NO

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: Simon Davies Head of Economic Development and Property.

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

Policy, Crime & Disorder and Equalities

The Carmarthenshire Enterprise Fund is aligned with the South West Wales Economic Development Strategy, Council's Vision Statement and Carmarthenshire's Economic Recovery Plan. The Fund will provide much needed support to businesses in Carmarthenshire to enable them to bring forward capital projects that will stimulate economic growth and create employment opportunities.

Legal

Assistance will be required from the legal team in respect legal charges linked to any future awards.

Finance

The funding will come from the Carmarthenshire Rural Enterprise Fund Capital budget Allocation

CONSULTATIONS

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

Signed: Simon Davies

Head of Economic Development and Property

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:

Revised CEF Guidance Notes

Title of Document	File Ref No.	Locations that the papers are available for public inspection
CEF Guidance Notes	CEF02	Online on Council File Plan