

EXECUTIVE BOARD MEMBER
11TH NOVEMBER 2016

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

AMMANFORD REGENERATION DEVELOPMENT FUND

Recommendations / key decisions required:

To approve the eligibility criteria and proposed procedures for delivery of the Ammanford Regeneration Development Fund.

Reasons:

To maximise Job Creation and increase vitality in Ammanford

To reduce the number of vacant, underutilised and redundant sites and premises, while supporting diversification in the town.

The aims and objectives of the grant is to enable and incentivise property refurbishment and new build projects. This scheme will assist in addressing the decline in unoccupied sites and premises through direct use by CCC and/or use by the private sector.

Although the funding has not yet been actively marketed, some enquiries for grant assistance have been received.

Directorate Name of Head of Service: Wendy Walters	Designations: Assistant Chief Executive	Tel No: 01267 224112 WSWalters@carmarthenshire.gov.uk
Report Author: Catherine Jones	Phys Regen Programme Coordinator	Tel: 01554 748809 CJones@carmarthenshire.gov.uk

Declaration of Personal Interest (if any): None

Dispensation Granted to Make Decision (if any): N/A

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
11TH NOVEMBER 2016
AMMANFORD REGENERATION DEVELOPMENT FUND

Background

The authority proposes to make available funds from the 2016/2017 financial year's capital allocation to provide grant aid assistance to encourage use of underused or vacant properties or sites in Ammanford. The grant will be available to commercial property developers to meet the financial gap between the construction/refurbishment costs and the completed market value of the commercial property. The incentive on offer is aimed to improve commercial properties and sites within Ammanford Town and its environs with the express aim of creating and accommodating jobs and increasing vitality in the town centre by offering funding towards the creation of high quality commercial accommodation. The programme has a fixed budget of £300,000.

Proposed Eligibility Criteria

It is proposed that buildings to be developed will be based in Ammanford and its environs (defined as Ammanford Town Electoral Ward) but exceptional projects that fall outside of Ammanford will also be considered on a case by case basis. 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.46422. Levels of funding will be restricted to the State Aid thresholds. If there is no take up of the grant the County Council will use the funding to potentially purchase and regenerate key properties itself.

It is proposed that:

- The premises to be developed, improved or extended will have to be based in Ammanford Town Electoral Ward
- All applicants must be economically and financially viable.
- Grants for works to properties will be available to owners of the freehold interest in the property or to lessees holding a lease that has a minimum of fifteen years remaining at the time of application. Leaseholders will have to secure their landlord's written consent to the proposed works.
- The grant will be based on the lesser of a maximum of £20,000 per job created or the maximum state aid exemption thresholds as set out under the Welsh Local Government Capital Investment Aid and Employment Aid Scheme

Detailed guidance on the criteria is provided in the Guidance Document

Proposed Application & Prioritisation Process

It is proposed that the grant will be subject to a two stage application process with stage one applications being invited by January 20th 2017 and considered by a project panel on a "challenge" principle basis. The Project panel will consider applications and invite applications

to proceed to detailed application stage where projects will be assessed on

- tangible benefits to the local economy in terms of potential jobs accommodated and created
- value for money
- floor area of new premises to be developed
- proposed end tenant's use
- quality of proposed jobs to be created
- impact on Ammanford Town Centre as part of the Swansea Bay City Region & Transformational Strategy Objectives
- cross cutting issues addressed by the project including impact on the Welsh Language and how the proposal encourages and promotes the development of the Welsh language and its role within the economy

Successful applicants will then be requested to submit a more detailed Stage 2 application form and documentation no later than 30th June 2017

The decision making panel and Council's Executive Board Member will then assess and consider the individual stage 2 applications. Construction will need to be completed **no later than** 30 March 2019.

Recommendations:

1. To approve the proposed eligibility criteria as set out in above and in the detailed guidance in annex 1
2. To approve the proposed application & prioritisation process as set out above.

DETAILED REPORT ATTACHED?	YES
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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	Legal	Finance	ICT	Risk Management Issues	Organisational Development	Physical Assets
YES	YES	YES	NONE	YES	NONE	NONE

1. Policy, Crime & Disorder and Equalities

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

All signage displayed on or in a building supported under the fund will need to be displayed bi-lingually.



EICH CYNGOR arleinamdani
www.sirgar.llyw.cymru

YOUR COUNCIL doitonline
www.carmarthenshire.gov.wales

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

Legal provisions will need to be in place including terms and conditions for use with legal charge/restrictions required. The Economic Development team will liaise with the Legal Department in order to arrange details accordingly.

3. Finance

- The £300,000 capital funding required for the scheme is confirmed in the 2016/17 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 Development's Current 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.
- The Economic Development team will work with the Finance department to formalise and support the processes required to implement this scheme. Clear accounting arrangements will be formed

4. Risk Management Issues

The risk of default payment by third parties will be a significant risk to be considered with each interest. Proposed risk mitigation measures will need to be introduced which will reduce the level of risk to a satisfactory level. Such measures would include -

- Thorough investigation of each third party applicant
- Inclusion of repayment clauses
- Regularly monitoring the progress of works

CONSULTATIONS

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

Signed: Wendy S Walters

Assistant Chief Executive

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