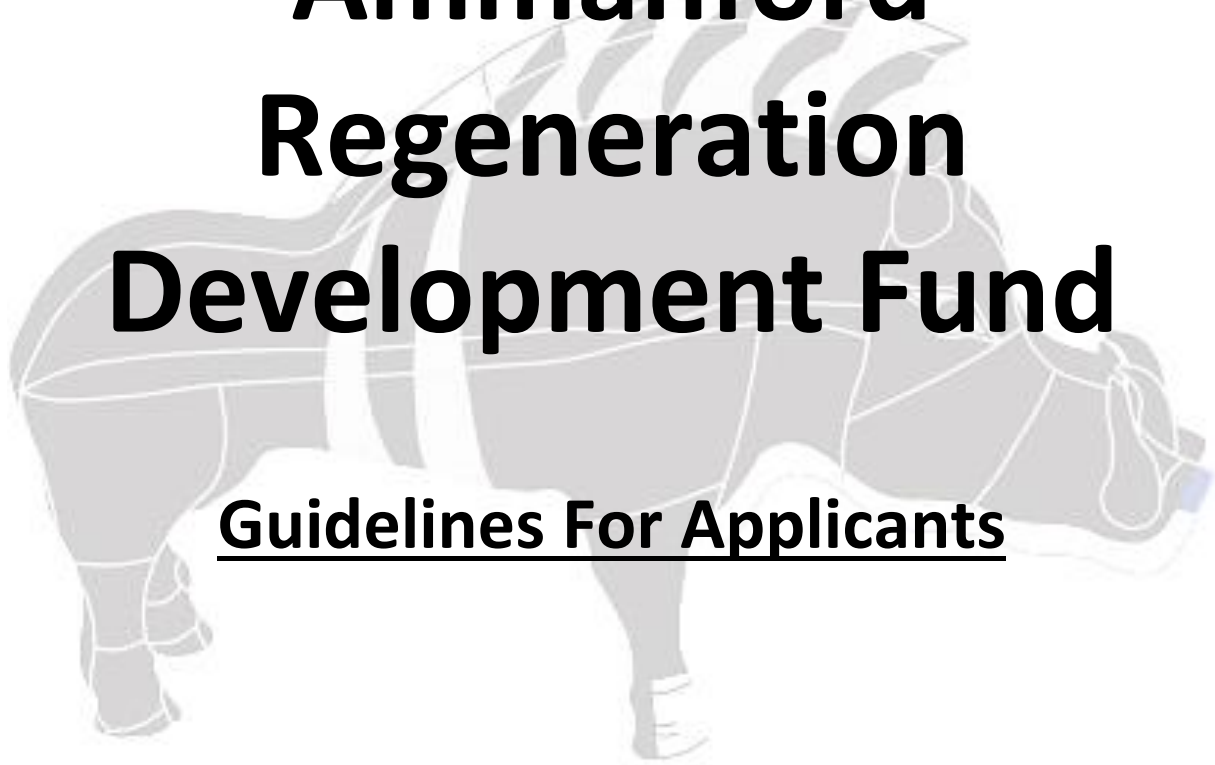


Updated Oct 2016



# Ammanford Regeneration Development Fund

Guidelines For Applicants



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## 1. Introduction

The scheme provides financial assistance for the construction or refurbishment of buildings for commercial use with the primary aim of creating capacity for employment and increasing vitality in Ammanford Town.

The programme is available for both developer led proposals and owner occupiers who wish to construct new, expand or refurbish premises to create additional job capacity.

Funding for this programme is from Carmarthenshire County Council's Capital Programme. Priority will be given to applications **that will provide prospects of immediate job creation** as well as tangible benefits to Ammanford in terms of :-

- The quantity and quality of jobs accommodated/created
- the area of floor space created
- the number of SME's accommodated
- how the development encourages and promotes the development of the welsh language and its role within the economy
- ensuring support for enterprises adopting or improving equality strategies & monitoring systems.

The aim of the programme is to support applicants that require financial aid for their projects to proceed, i.e. if funding were not forthcoming the project would not proceed. The programme has a fixed budget of £300,000 from which it is proposed to support a number of proposals. A proposal seeking the full budget funding available for the scheme will only be considered in exceptional circumstances i.e. where a proposal make a significant positive transformational change on the town of Ammanford.

The funding is available to meet the financial gap between the construction costs and the completed market value of the property. The incentive on offer is aimed to stimulate the supply of high quality commercial premises within Ammanford by offering funding.

## 2. Eligibility

Eligibility for this programme will be determined by the criteria outlined in the table below. Please note that these are guidelines only and eligibility will be looked at on a case-by-case basis.

|                      |                                                                                                                                        |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Eligible Uses        | Industrial, commercial, community business, retail with housing above,                                                                 |
| Applicant            | <ul style="list-style-type: none"><li>• Developers</li><li>• Investors</li><li>• Owner Occupiers</li><li>• Other land owners</li></ul> |
| Interest in land     | Freehold or ground lease (15 years minimum length of lease)                                                                            |
| Eligible expenditure | <ul style="list-style-type: none"><li>• Investigations</li><li>• Demolition</li><li>• Premises refurbishment costs</li></ul>           |

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                        | <ul style="list-style-type: none"> <li>• Premises construction costs</li> <li>• Professional fees (deemed an eligible cost from the date of stage 1 approval and/or following written confirmation from Carmarthenshire County Council, whichever is the latest. Professional fees can be considered up to a maximum of 10% of the construction costs, providing the scheme goes ahead. In exceptional circumstances consideration may be given to fees in excess of this limit, on a case by case basis)<br/><b>Professional services must be procured as highlighted in Annex 3 to be considered eligible.</b></li> </ul>                                                                                                 |
| Developers Profit      | <p>As a condition of funding awarded under this programme, a key element of the appraisal process involves an assessment of the “returns” or “profits” made by applicants. A reasonable level of developers profit is allowable within the development appraisal but this should be commensurate with prevailing market conditions and as such will be subject to a rigorous assessment as part of the due diligence process</p> <p>A level of developers profit can be included in the development appraisal in order to calculate the viability gap and the grant intervention rate (up to the maximum state aid threshold). However, the developers profit cannot be claimed or paid out as an eligible expenditure.</p> |
| Ineligible expenditure | <ul style="list-style-type: none"> <li>• Process Plant</li> <li>• Machinery</li> <li>• Finance charges</li> <li>• Crane-age</li> <li>• Polluter pays principle</li> <li>• End tenant fit out costs</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

### 3. Funding Levels

The level of funding applied for should 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. An example of a typical development appraisal is attached in Annex 1.

The level of funding offered can be affected by:-

- The minimum level which is considered necessary to achieve the project as per the development appraisal.
- The value of the project to Ammanford’s economy based on the number and type of jobs accommodated, the area of floor-space made available, the number of SME’s to be supported & enterprises adopting or improving equality strategy & monitoring systems. (see Annex II for definitions)
- Permitted State Aid Levels as per the table in section 4:-

- The total amount of funding available which is £300,000 and funding will be allocated on a competitive basis. The total funding would only be allocated to a single project in exceptional circumstances.
- The maximum funding awarded for each project will be at the discretion of the authority;

#### 4. State Aid

##### For Offers of Grant Made After 1 July 2014

This funding has been deemed as a State Aid, which means that it is considered to be a public resource given selectively to undertakings engaged in economic activity that could potentially affect competition and trade between EU member states. The threshold level refers to the total permitted public subsidy (i.e. including any other public sector funding or local authority support) towards the total project (i.e. including fit-out and process plant).

The grant scheme is run with state aid cover under the Welsh Local Government Property Development Grant Scheme. State Aid reference SA.46422

From the 1<sup>st</sup> of July 2014, levels of funding will be restricted to the following thresholds:-

| Threshold | Company Size                                                                             |
|-----------|------------------------------------------------------------------------------------------|
| 45%       | Small enterprise ie <50 employees, annual turnover which does not exceed 10million euro. |
| 35%       | Medium enterprise ie <250 employees, annual turnover which does not exceed 50m euro.     |
| 25%       | Large enterprise - companies over 250 employees                                          |

#### 5. Targeted Areas

This programme specifically targets Ammanford Town and immediate environs (defined as Ammanford Town Electoral Ward) which is identified as one of the six key areas in Carmarthenshire County Council's Transformations Strategy

Exceptional Projects that fall outside of Ammanford Town Electoral Ward and environs will also be considered on a case by case basis. If your project falls outside of the above area you should contact the Project Officer for further advice before proceeding with your application.

#### 6. Process

In order to avoid unnecessary effort and expense by the applicant, the local authority operates a two-stage approval process:

|                                     |                       |                                                                                            |
|-------------------------------------|-----------------------|--------------------------------------------------------------------------------------------|
| <b>Stage 1 – Initial Assessment</b> | Approval in Principle | Provides initial indication of project eligibility, viability, level of funding available. |
|-------------------------------------|-----------------------|--------------------------------------------------------------------------------------------|

|                                      |                     |                                                                    |
|--------------------------------------|---------------------|--------------------------------------------------------------------|
| <b>Stage 2 – Detailed Assessment</b> | Authority to Commit | Defines actual funding offers and associated terms and conditions. |
|--------------------------------------|---------------------|--------------------------------------------------------------------|

Each application will be dealt with on a case-by-case basis at the discretion of the local authority and its decision will be final. The funding can only be offered in those cases where the local authority is satisfied that without such aid the project would not proceed.

Funding is not given automatically. The local authority reserves the right to establish priorities within the total budget available within the county, for example value for money, viability, outputs created, etc. and to impose such terms and conditions, as it considers appropriate.

Expenditure incurred by developers in developing and submitting Stage 1 applications, e.g. legal fees, architects, consultants, etc. will **not** be reimbursed by Carmarthenshire County Council. However, the agreed percentage (grant intervention rate) of eligible expenditure incurred by **successful applicants following Stage 2 approval** will be reimbursed at the claim stage. Professional fees however, are deemed eligible after the date of Stage 1 approval or following written confirmation from Carmarthenshire County Council. Authorisation will be given following submission of satisfactory quotes. These will also be reimbursed after practical completion.

## 7. Application Process

The application process is set out below:

- 7.1 The Stage 1 application forms, sketch drawings, site location plan, company accounts and initial project appraisal must be submitted **by 4pm on 31/01/2017**.
- 7.2 The decision making panel will then assess and consider all applications during the following month of February 2017 and will inform applicants at the end of the month as to whether or not they have been successful at stage 1.
- 7.3 If successful the applicant will then be requested to submit a more detailed Stage 2 application form **no later than 30/06/17**
- 7.4 The decision making panel will then assess and consider the individual stage 2 applications. Applications of £250,000 or less will be reported for consideration to Executive Board Member while applications totalling £251,000 or more will be reported for consideration by the Council's Executive Board. The applicant will be advised of the decision.
- 7.5 Practical completion to be achieved no later than 31 March 2019.

## 8. Information Required

The applicant must supply the following information and must use suitably experienced professional advisors.

### Stage 1: Initial Assessment – Approval in Principle

- Completed application form
- Site location plan

- Proposed layout/master plan/photos
- Initial development appraisal (cost & value) – Example in Annex 1
- Company accounts (Last 3 years)
- Environmental policy / bilingual policy / equalities & diversity policy.
- Copies of quotes / tenders for professional services (if required to be eligible after Stage 1 approval)

If the Local Authority is satisfied that the stage 1 requirements have been met and that the scheme is eligible, viable and is worthy of support a stage 2 application will then be invited.

**Note** – Costs incurred on professional services, e.g. architects, quantity surveyors, BREEAM assessors, etc. are deemed eligible after the date of Stage 1 approval and/or following written confirmation from Carmarthenshire County Council. Written agreement must be sought from Carmarthenshire County Council prior to the engagement of consultants. Authorisation will be given from Carmarthenshire County Council following submission of satisfactory quotes or tenders, whichever is applicable (refer to Annex 3)

To ensure that developers maximise their eligible costs, Carmarthenshire County Council recommend that professional services are procured as part of the Stage 1 application process or as soon after that date as possible. Developers can only claim against these costs if their Stage 2 application is approved and the scheme is delivered.

### **Stage 2: Detailed Assessment - Authority to Commit**

- Completed application form
- Revised development appraisal
- Marketing plan
- Cash flow forecast
- Full planning consent
- Detailed drawings and specification
- Copies of quotes / tenders for professional services (if not already submitted at Stage 1 of the application) \*\*\* (see note above)
- Copies of contractors tenders\*\*\*
- Tender report
- Valuation (to be undertaken by Carmarthenshire County Council)
- Proof of match funding
- Evidence of land/premises ownership (freehold/ lease of at least 15 years with landlords consent, in the form of title deeds, land registry document or lease agreement). Please note that a legal charge (with the land registry) on the property will need to be entered into if your project is successful.
- Copies of any pre let / pre sale agreements

\*\*\* Professional services and contractors must be procured by a process which is deemed satisfactory by the County Council (see Annex 3)

### **We reserve the right to request additional information.**

If Carmarthenshire County Council is satisfied with the stage 2 requirements and is intending to support the scheme, at this stage an authority to commit will be sent to the applicant. This will need to be signed and returned to the Local Authority within 14 days. After this has been

done, the applicant can start work providing all of the consents are in place. It must be noted that this will be at the applicant’s risk as the full terms and conditions will not have been finalised and signed at this stage.

**No project should start or let its main contract until an “Authority to Commit” has been issued and accepted by the applicant. If a project should start or let its main contract before this action is completed it will be concluded that the project does not require funding assistance.**

Please be advised that you must comply with The Health & Safety at Work Act and Construction, Design & Management Regulations.

**9. Security / Clawback / Repayment**

Carmarthenshire County Council will require a charge on the property to provide security for the following events (Dates relate to the “Date of the Practical Completion Certificate”):

|                                                                              |                                                                                    |
|------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Unauthorised change of Project Purpose within 5 years of final grant payment | Full Repayment                                                                     |
| Fraud / Misleading Information                                               | Full Repayment                                                                     |
| Breach of Conditions                                                         | Full Repayment                                                                     |
| Sale within 5 years                                                          | Proportional – Clawback based on sale in excess of the valuation at grant approval |
| Non achievement of targets / outputs                                         | Proportional Clawback                                                              |

Clawback will be in proportion to the level of grant awarded on the sum over and above the value calculated for grant purposes and will be calculated on the increase in value of the premises.

The applicant will also be required to insure the premises for a period of 5 years at a level sufficient to ensure that it can be rebuilt in the event of an incident and list the County Council’s interest in the property on the policy.

**10. Outputs**

Please note that outputs will be considered during the assessment of your application and you will be expected to verify them on completion of the scheme and before payment is made. We will be considering the following outputs:-

- Jobs accommodated
- Private sector investment
- Floor space Created/improved
- SME’s accommodated



Records must be kept for 10 years from the date of the last award of aid under the programme. Records must be sufficiently detailed to establish that the conditions of the Welsh Local Government Capital Investment Aid & Employment Aid Scheme are met.

## **11. Payment**

Payment may be made on an interim and final claim basis, or on practical completion, the basis of which are to be agreed on a 'case by case' basis and will be subject to the following documentation being submitted:-

- Claim form / outputs questionnaire with original signature
- Original valuation certificate
- Original practical completion certificate
- Original invoices
- Original bank statements showing proof of payments made
- Satisfactory site visit being undertaken by a quantity surveyor employed by the County Council
- Building regulations completion certificate

Carmarthenshire County Council will keep certified copies of the original documentation.

If the eligible works expenditure is lower than anticipated in the offer letter, the financial assistance will be reduced on a pro rata basis.

## **12. Additionality**

Applicants must demonstrate that PDF financial support is necessary for the project to proceed and that developments would therefore not take place without funding. Specifically, applicants must demonstrate how funding support;

- will lead to additional outcomes and clear links with these and the additional funding
- will increase the capacity of the applicant to deliver its services
- will increase the scale of the project
- will improve the quality of the project
- will release resources to allow other projects to proceed.

Applications must also outline the additional benefits in Ammanford that are likely to accrue as a result of the development and how they would minimise any negative impact on the existing commercial property letting market.

## **13. Community Benefits – Social, Economic and Environmental Impact**

To ensure that schemes supported by the Ammanford Regeneration Fund have a positive social, economic and environmental impact, the Partnership encourages each successful applicant to incorporate working practices which provide community benefits in and around each development scheme. We are committed to promoting Sustainable Development, ensuring our actions contribute to social, economic and environmental well-being now and in the future. The aim is to build stronger communities, reduce social exclusion and poverty and encourage the development of the economy.

Successful applicants will be supported by the authority to, where possible, implement the inclusion of 'Community Benefits' which will bring long-term benefits to the residents and businesses to the wider communities. This can be done by:

- Training and employment – e.g. consider the opportunities to recruit and train long term economically inactive persons, offer apprenticeships/ training opportunities for young people, consider the development of trade skills in your existing workforce etc.
- Supply Chain initiatives – e.g. supplier engagement, second tier supply chain opportunities etc.
- Working with 3rd Sector & supported factories & businesses where applicable.
- Community Initiatives – e.g. volunteering days, support for local youth groups and other community groups, Mini sporting tournaments etc
- Education Contribution – e.g. work/school placements, talks to children on career paths etc

The authority will also encourage applicants to obtain the co-operation of their sub-contractors, so that they in turn contribute to the Community Benefits of the development scheme.

This will be discussed with you in detail following Stage 1 approval.

#### **14. Procurement**

It is a requirement that all services and works are procured by an approved competitive tender procedure as detailed in Annex 3 – 'Purchasing goods, services, consultancy, research or works'. All applicants must adhere to this procedure.

#### **15. Publicity Requirements**

Appropriate publicity measures must be undertaken to raise the awareness of the sources of funding received. If a project is successful in obtaining funding assistance under this programme, the terms & conditions will detail the publicity measures to be undertaken by the applicant. Please refer to Annex 4 - Publicity Requirements.

#### **16. Design and Supervision**

Grant recipients must employ appropriately qualified professionals (i.e Quantity Surveyor & Architect) to assess tenders, provide drawings, supervise project works and provide certificates for completed works. This cost may be included in the qualifying expenditure for grant assistance up to a limit of 10% of the total project cost provided that it has been accounted for in the application form and the County Council's specific written agreement has been sought prior to the engagement of consultants and provided sufficient capital expenditure has been evidenced to support the agreed level of fees. The professional consultant must hold a qualification appropriate to the nature of the works proposed.

**Professional fees are an eligible cost from the date of stage 1 approval and / or written approval from Carmarthenshire County Council for applications that obtain an authority to commit.**

## 17. Cross Cutting Themes

### 17.1 Welsh Language

Applicants will need to outline the ways in which the scheme encourages the development of the Welsh Language. The building should have the provision of bilingual signage. The policy statement must be submitted at Stage 1.

## 18. Golden Rules

- **Level of Funding at total discretion of the local authority;**
- **Don't commit or announce the project before approval;**
- **If in doubt – ASK.**

## 19. Contact Details:-

For further information or if you have any queries please contact Carmarthenshire County Council at:



**Economic Development Division  
Parc Amanwy  
Ammanford  
SA18 3EP**

**Tel: 01554 748809**

**[CJones@carmarthenshire.gov.uk](mailto:CJones@carmarthenshire.gov.uk)**

### Example development appraisal

(An electronic excel copy of this spreadsheet is available upon request).

This is a flexible guide for your use. You don't have to provide a development appraisal in this format. You can leave blank fields and/ or you can add eligible cost lines.

You should insert your own cost rates based on professional advice.

Only insert figures in the grey boxes as these will calculate automatically

|                            | Rates                             | Item totals       | Sub-totals | Totals    | Gap   |
|----------------------------|-----------------------------------|-------------------|------------|-----------|-------|
| <b>1 Completed Value</b>   |                                   |                   |            |           |       |
| 1.1                        | Rental Income                     | sq. ft. @ £ sq ft |            |           |       |
|                            |                                   | 0 sq. ft. @ £0.00 | £0.00      |           |       |
|                            |                                   | 0 sq. ft. @ £0.00 | £0.00      |           |       |
| 1.2                        | Total Annual Rental Income        |                   | £0.00      | Per Annum |       |
| 1.3                        | Initial yield rate (%)            | 9.0               | 11.11      |           |       |
|                            | Market Value                      |                   |            | £0.00     |       |
| 1.4                        | Completed Value                   |                   |            |           | £0.00 |
| <b>2 Development Costs</b> |                                   |                   |            |           |       |
| 2.1                        | Site Acquisition                  |                   |            |           |       |
|                            | Land Purchase                     |                   |            |           |       |
|                            | Legal Costs                       |                   | £0.00      |           |       |
|                            | Site Investigation                |                   | £0.00      |           |       |
|                            | Other (specify)                   |                   | £0.00      |           |       |
|                            | TOTAL SITE                        |                   |            | £0.00     |       |
| 2.2                        | Construction                      |                   |            |           |       |
|                            | Site Prep / Demolition            |                   |            |           |       |
|                            | Building                          |                   |            |           |       |
|                            | TOTAL CONSTRUCTION                |                   |            | £0.00     |       |
|                            | Professional Fees                 |                   |            |           |       |
|                            | Building Regs                     |                   |            |           |       |
|                            | Planning Fees                     |                   |            |           |       |
|                            | Structural Engineer               |                   |            |           |       |
|                            | Architect Fees                    |                   |            |           |       |
|                            | CDM Compliance                    |                   |            |           |       |
|                            | QS Fees                           |                   |            |           |       |
|                            | BREEAM Assessor Fees              |                   |            |           |       |
|                            | Other Professional Fees (specify) |                   |            |           |       |
|                            | Actual Total                      |                   | £0.00      |           |       |
|                            | TOTAL PROFESSIONAL FEES           |                   |            | £0.00     |       |
|                            | <b>Total before other costs</b>   |                   |            | £0.00     |       |
| 2.3                        | Other Costs                       |                   |            |           |       |
|                            | Developer's Profit                |                   | £0.00      |           |       |
|                            | Letting costs                     |                   | £0.00      |           |       |
|                            | Legals on letting                 |                   | £0.00      |           |       |
|                            | TOTAL OTHER COSTS                 |                   |            | £0.00     |       |
|                            | <b>2.5 Development Cost</b>       |                   |            |           | £0.00 |
| <b>3</b>                   | <b>Development Profit / Loss</b>  |                   |            |           | £0.00 |

This is the Gross Rent Multiplier, calculated by dividing initial yield rate by 100. Initial Yield rate varies according to location, market conditions or whether a pre-let agreement is in place. We recommend taking advice from a valuer to determine yield rate and rental rate.

Sq ft is based on actual employment space created. Rental income per sq. ft. should take account of factors such as location, demand, and end-use.

Market Value is calculated by multiplying the annual rental income by the Gross Rent Multiplier.

The maximum that can be included for Land Purchase is 10% of the total construction cost (including professional fees), or the actual cost of the land - whichever is the lower. Land acquired before the grant offer is not eligible.

Fees are reimbursed on the basis of actual costs incurred, up to a maximum of 10% of the total construction cost, (and excluding site acquisition costs).

Developer's profit is eligible for grant support. Typically, it will be set at 10% of the overall development cost, though this may vary.

Development cost minus market value = the development gap (or profit).

## Ammanford Regeneration Development Fund

### Annex 2

#### Output Definitions October 2016

#### JOBS ACCOMMODATED

**Jobs accommodated definition:** Number of jobs accommodated within the sites and premises.

**Accommodated:** The maximum number of jobs potentially located at any one time. This is not the number accommodated over the life of the premises. If the project involves the refurbishment of a premises then this should be the number of additional jobs accommodated (i.e. any jobs accommodated prior to refurbishment should be deducted from the number reported to WG; should this result in a negative figure then the project should reconsider whether this is the most appropriate result indicator for them).

**Evidence:** Practical completion certificate and drawings showing the area of net floorspace that is available as employment space. The number of jobs accommodated on this floorspace will vary according to the type of end use of the building, and will be calculated according to the table below (taken from Employment Density Guide 2015):

| Use Class                        | Sub-Category               | Sub-Sector                   | Density (sqm) | Notes                                                                                            |
|----------------------------------|----------------------------|------------------------------|---------------|--------------------------------------------------------------------------------------------------|
| <b>B1a Offices</b>               | General Office             | Corporate                    | 13            | NIA                                                                                              |
| Professional Services            | 12                         |                              | NIA           |                                                                                                  |
| Public Sector                    | 12                         |                              | NIA           |                                                                                                  |
| TMT                              | 11                         |                              | NIA           |                                                                                                  |
| Finance & Insurance              | 10                         |                              | NIA           |                                                                                                  |
| Call Centres                     | 8                          |                              | NIA           |                                                                                                  |
| <b>B1b</b>                       | R&D Space                  | 40-60                        |               | NIA lower densities will be achieved in units with higher provision of shared or communal spaces |
| <b>B1c</b>                       | Light Industrial           | 47                           |               | NIA                                                                                              |
| <b>B2</b>                        | Industrial & Manufacturing | 36                           |               | GIA                                                                                              |
| <b>B8</b>                        | Storage & Distribution     | National Distribution Centre | 95            | GEA                                                                                              |
| Regional Distribution Centre     | 77                         |                              | GEA           |                                                                                                  |
| 'Final Mile' Distribution Centre | 70                         |                              | GEA           |                                                                                                  |
| <b>Mixed B Class</b>             | Small Business Workspace   | Incubator                    | 30-60         | B1a, B1b – the density will relate to balance between spaces,                                    |

|                         |                                   |                          |                      |                                                                                                  |
|-------------------------|-----------------------------------|--------------------------|----------------------|--------------------------------------------------------------------------------------------------|
|                         |                                   |                          |                      | as the share of B1a increases so too will employment densities.                                  |
| Maker Spaces            |                                   | 15-40                    |                      | B1c, B2, B8 - Difference between 'planned space' density and utilisation due to membership model |
| Studio                  |                                   | 20-40                    |                      | B1c, B8                                                                                          |
| Co-Working              |                                   | 10-15                    |                      | B1a - Difference between 'planned space' density and utilisation due to membership model         |
| Managed Workspace       |                                   | 12-47                    |                      | B1a, b, c                                                                                        |
| <b>B8 / Sui Generis</b> | Data Centres                      |                          | Wholesale            | 200-950                                                                                          |
|                         |                                   |                          | Wholesale Dark Site  | 440-1,400                                                                                        |
|                         |                                   |                          | Co-location Facility | 180-540                                                                                          |
| <b>A1</b>               | Retail                            | High Street              | 15-20                | NIA                                                                                              |
|                         | Foodstore                         | 15-20                    |                      | NIA                                                                                              |
|                         | Retail Warehouse                  | 90                       |                      | NIA                                                                                              |
| <b>A2</b>               | Finance & Professional Services   | 16                       |                      | NIA                                                                                              |
| <b>A3</b>               | Restaurants & Cafes               | 15-20                    |                      | NIA                                                                                              |
| <b>C1</b>               | Hotels                            | Limited Service / Budget | 1 per 5 beds         | FTE per bed                                                                                      |
|                         | Mid-scale                         | 1 per 3 beds             |                      | FTE per bed                                                                                      |
|                         | Upscale                           | 1 per 2 beds             |                      | FTE per bed                                                                                      |
|                         | Luxury                            | 1 per 1 bed              |                      | FTE per bed                                                                                      |
| <b>D2</b>               | Fitness Centres                   | Budget                   | 100                  | GIA                                                                                              |
|                         | Mid Market                        | 65                       |                      | GIA – both types tend to generate between 40-50 jobs per gym                                     |
|                         | Family                            |                          |                      |                                                                                                  |
|                         | Cinema                            | 200                      |                      | GIA                                                                                              |
|                         | Visitor & Cultural Attractions    | 30-300                   |                      | The diversity of the cultural attraction sector means a very wide range exists                   |
|                         | Amusement & Entertainment Centres | 70                       |                      | Potential range of 20-100sqm                                                                     |

**Category / Criteria breakdowns**  
**Unitary Authority Carmarthenshire**

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## **FLOOR SPACE CREATED / IMPROVED**

**Floor space created or refurbished definition:** The number of metres squared of building space created or refurbished for business and/or educational use. This does not include area used for car parking or external landscaping.

**Created:** putting up a new building.

**Refurbished:** refurbishing an existing building.

**Evidence:** Works – certificate of practical completion of the works. QS certification of works carried out, e.g. site services/utilities and infrastructure, foundations laid, walls and roof built.

### **Category / Criteria breakdowns**

**Purpose of premises** (Business – office, Business – manufacturing, Business – distribution)

**Unitary Authority** Carmarthenshire

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## **SME's ACCOMMODATED**

**SMEs accommodated Definition:** Number of SMEs accommodated within the sites and premises referred to in the indicator “Premises created or refurbished.”

**Accommodated:** The maximum number potentially located at any one time. This is not the number accommodated over the life of the premises. SMEs: “The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.”

**Evidence:** Practical completion certificate and drawings showing the area of net floorspace that is available as employment space for SMEs. Building should be complete before reporting SMEs accommodated.

### **Category / Criteria breakdowns**

**Unitary Authority** Carmarthenshire

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## **PRIVATE SECTOR INVESTMENT**

**Private Sector Investment Definition:** Measured in £, this is the **gross** amount of direct tangible or intangible investment from the private sector or: commercial, charitable and not-for-profit organizations and private individuals. This figure represents the private sector contribution to the total cost of a project once any public sector and grant funding has been deducted.

## Ammanford Regeneration Development Fund

### Annex 3

#### Purchasing Goods, Services, Consultancy , Research or Works

When making a purchase or paying for a service, applicants should aim to get value for money whilst offering a range of businesses the opportunity to provide those goods or services in a fair and transparent manner.

The applicant must therefore ensure that the following procurement procedures are adopted according to the estimated value (exc. of VAT) of the contract at quotation/pre-tender stage. Your decision must demonstrate best value and you must keep records which supports your decision.

Failure to fully comply with the procurement thresholds will render the costs ineligible for assistance under this fund.

Third Party Grant Procurement |Rules

Third Party Grant Procurement |Rules

| Requirement | Total Value (excluding VAT) | Procurement Process                                                                                                                                                                                                                                                                                                                                                        |
|-------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>All</b>  | <b>up to £4,999</b>         | A minimum of <b>1 written Quotation</b> <u>must</u> be obtained and retained.<br>Best value for money must be obtained and reasonable care must be taken to obtain goods, works or services of adequate quality at a competitive price. A documented record to support the decision must be retained for audit purposes.                                                   |
| <b>All</b>  | <b>£5,000 and £24,999</b>   | A minimum of <b>3 written Quotations</b> <u>must</u> be sought from competitive sources*. The quotes must be based on the same specification and evaluated on a like for like basis.<br>A documented record of the quotes sought, the evaluation process and the decision to award must be recorded for audit purposes.                                                    |
| <b>All</b>  | <b>£25,000 and £74,999</b>  | A minimum of <b>3 written Quotations</b> <u>must</u> be sought from competitive sources*. The quotes must be based on: <ul style="list-style-type: none"> <li>• the same specification,</li> <li>• the same evaluation criteria and evaluated on a like for like basis. It is best practice to establish an evaluation panel.</li> <li>• the same closing date.</li> </ul> |



|                           |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                           |                               | <p>A documented record of the quotes sought, the evaluation process and the decision to award must be recorded for audit purposes.</p> <p>** In the event that only one quotation is received, you <b>must</b> contact the Project Manager from Carmarthenshire County Council (CCC) to provide details and justification of the procurement process you have undertaken. The decision to proceed to purchase must be approved by CCC on a case by case basis. In circumstances where it is evident that more than one quotation could be sought, there <u>may</u> be a requirement to advertise via Sell2Wales.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Goods and Services</b> | <b>£75,000 and £164,176</b>   | <p>A minimum of <b>4 tenders</b> <u>must</u> be sought from competitive sources*, with a <b>minimum of 2 tenders to be received**</b>.</p> <p>All those tendering must be provided with the same information:</p> <ul style="list-style-type: none"> <li>• the same specification of requirements,</li> <li>• an outline of the evaluation criteria against which the contract will be awarded and</li> <li>• the same closing date for receipt of tenders, after which no submissions will be accepted.</li> </ul> <p>The evaluation process you follow must be consistent with the original evaluation criteria outlined and an evaluation report produced detailing on what basis the successful tender was awarded. It is best practice to establish an evaluation panel to evaluate tenders.</p> <p>** In the event that only one tender is received, you <b>must</b> contact the Project Manager from Carmarthenshire County Council (CCC) to provide details and justification of the procurement process you have undertaken. The decision to proceed to purchase must be approved by CCC on a case by case basis. In circumstances where it is evident that more than one tender could be sought, there <u>may</u> be a requirement to advertise via Sell2Wales.</p> |
| <b>Works</b>              | <b>£75,000 and £4,104,394</b> | <p>A minimum of <b>4 tenders</b> <u>must</u> be sought from competitive sources*, with a <b>minimum of 3 tenders to be received**</b>.</p> <p>All those tendering must be provided with the same information:</p> <ul style="list-style-type: none"> <li>• the same a specification of requirements,</li> <li>• an outline of the evaluation criteria against which the contract will be awarded and</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|                           |                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                           |                             | <ul style="list-style-type: none"> <li>the same closing date for receipt of tenders, after which no submissions will be accepted.</li> </ul> <p>The evaluation process you follow must be consistent with the original evaluation criteria outlined and an evaluation report produced detailing on what basis the successful tender was awarded. It is best practice to establish an evaluation panel to evaluate tenders.</p> <p>** In the event that only one tender is received, you <b>must</b> contact the Project Manager from Carmarthenshire County Council (CCC) to provide details and justification of the procurement process you have undertaken. The decision to proceed to purchase must be approved by CCC on a case by case basis. In circumstances where it is evident that more than one tender could be sought, there <b>may</b> be a requirement to advertise via Sell2Wales.</p> <p><b>For contracts in excess of £250k in value:</b></p> <ul style="list-style-type: none"> <li>In selecting contractors for the tender list it is recommended that the appropriate due diligence and financial checks are undertaken on those parties;</li> <li>As a minimum, due diligence and financial checks must be undertaken on the preferred contractor following the evaluation and prior to contract award.</li> </ul> |
| <b>Goods and Services</b> | <b>Above<br/>£164,176</b>   | If a contract for Goods or Services is likely to exceed £164,176 the applicant must inform the project manager to determine whether the contract will be subject to EU Public Contract Directive.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Works</b>              | <b>Above<br/>£4,104,394</b> | If a contract for Works is likely to exceed £4,104,394 the applicant must inform the project manager to determine whether the contract will be subject to EU Public Contract Directive.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

## **Important Guidance**

### **Advertising via Sell2Wales**

\* It is possible for you to advertise on the National Procurement website, [www.Sell2Wales.co.uk](http://www.Sell2Wales.co.uk) if you are in a situation where you have difficulty in identifying the minimum number of suppliers required and/or would like to vary or attract new suppliers to quote or tender. Advertising via Sell2Wales is considered to be best practice, however you may feel that you are better able to identify potential suppliers who could provide the best overall offer.

This facility is available to you free of charge, please visit the Sell2Wales website <http://www.sell2wales.gov.uk/> and contact the website helpline on 0800 222 9004 for further information.

**Seeking Quotations/Tenders**

For spend above £5,000 it is essential that the quotes/tenders are sought from appropriate suppliers for the goods, works or services required. In circumstances where it is evident that unsuitable quotes/tenders have been sought, there may be a requirement to advertise via Sell2Wales.

**Other Funders**

If a project involves any other or additional funding streams, these Third Party Grant Procurement Rules must be followed as a minimum for the total estimated spend of the requirement.

**Avoiding conflicts of interest**

We recognise that it is possible that applicants / developers or persons connected with them (such as relatives, business partners or friends) may wish to tender for a contract being offered by the applicant / developer. This is acceptable, but applicants will need to ensure that the tendering process is undertaken in an open, transparent and fair manner, as outlined above, which does not give one person or company tendering any advantage over another, which arises from the process. Appropriate measures to prevent identify and remedy any conflicts of interest must be carried out. If an applicant / developer or any person connected with them directly or indirectly, has a financial, economic, political or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement procedure:

- that applicant / developer, or any other person or party with an interest must declare that interest in writing to the Project officer who will offer advice accordingly.
- specifications and evaluation criteria must not be biased or tailored to favour one solution or any one party over another.
- that person or party with an interest should take no part whatsoever in any of the tender evaluation procedures to ensure that the process is fair to all. It is acknowledged that the grant applicant may be required to provide the final approval
- every stage of the procedure must be recorded formally.
- If the contract would normally be subject to a single tender procedure, it is recommended that the sponsor should seek written quotes from at least two other suppliers (ie following the procedure set out above for contracts between £5000 and £25,000)

The purpose of these guidelines is to ensure that there is fairness in the spending of public money and that the integrity of the applicant is not compromised.

**Changes to the specification or contract**

If any changes are required to the specification after seeking quotes/tenders which affects the original scope of the requirement, a new procurement exercise may need to be undertaken to ensure that best value for money has been achieved. This may occur where there are unforeseen additions to the original requirement, where tenders are received in excess of the available budget, where funding levels change etc. The grant applicant must inform the Project officer who will offer advice accordingly.

- **Failure to observe the relevant procedures outlined above will be considered non-compliant and may lead to a withdrawal of the grant offer and potential claw-back of funding.**

|                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• In cases where you are unable to satisfy the requirements of these procedures you must always inform the project manager.</li> <li>• If you have any queries as to how these procedures should be applied, you should contact the project manager for clarification and further guidance.</li> </ul> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### **Do's and Don'ts of Tendering**

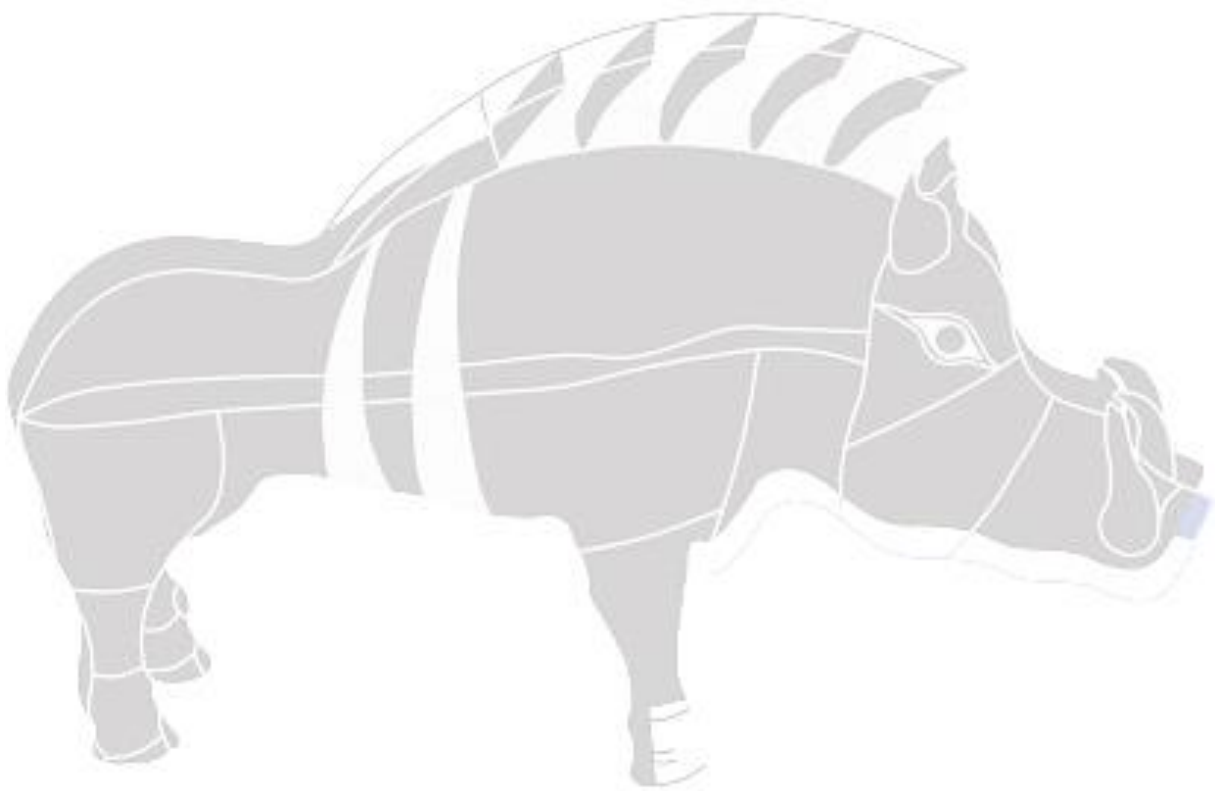
| <b>Do's</b>                                                                                                                                                                                                                                          | <b>Don'ts</b>                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• ensure that any potential conflicts of interest are declared at the earliest opportunity.</li> </ul>                                                                                                        | <ul style="list-style-type: none"> <li>• <b>Don't</b> skew the specification to eliminate or to discriminate against suppliers i.e. limit the specification to a specific brand.</li> </ul>                                            |
| <ul style="list-style-type: none"> <li>• comply with the appropriate rules</li> </ul>                                                                                                                                                                | <ul style="list-style-type: none"> <li>• <b>Don't</b> change the scope of the specification once distributed.</li> </ul>                                                                                                               |
| <ul style="list-style-type: none"> <li>• ensure that the specification is precise and not in excess of the requirements.</li> </ul>                                                                                                                  | <ul style="list-style-type: none"> <li>• <b>Don't</b> change the evaluation criteria during the process.</li> </ul>                                                                                                                    |
| <ul style="list-style-type: none"> <li>• ensure that the Evaluation Criteria is directly relevant to the subject of the contract</li> </ul>                                                                                                          | <ul style="list-style-type: none"> <li>• <b>Don't</b> give companies too short notice to quote.</li> </ul>                                                                                                                             |
| <ul style="list-style-type: none"> <li>• complete and retain full records for future reference and audit purposes</li> </ul>                                                                                                                         | <ul style="list-style-type: none"> <li>• <b>Don't</b> enter into too much detail verbally with suppliers regarding specific questions. The same information must be provided to all suppliers to ensure the process is fair</li> </ul> |
| <ul style="list-style-type: none"> <li>• ensure that quotes/tenders are evaluated on a 'like for like' basis.</li> </ul>                                                                                                                             | <ul style="list-style-type: none"> <li>• <b>Don't</b> reveal prices to potential suppliers.</li> </ul>                                                                                                                                 |
| <ul style="list-style-type: none"> <li>• ensure that you treat suppliers in an open, transparent and non-discriminatory manner.</li> </ul>                                                                                                           | <ul style="list-style-type: none"> <li>• <b>Don't</b> breach confidentiality.</li> </ul>                                                                                                                                               |
| <ul style="list-style-type: none"> <li>• allow sufficient time for companies to quote</li> </ul>                                                                                                                                                     | <ul style="list-style-type: none"> <li>• <b>Don't</b> open quotes/tenders in advance of the deadline.</li> </ul>                                                                                                                       |
| <ul style="list-style-type: none"> <li>• ensure the value of the Goods/Works or Service is estimated accurately at the start of the process to apply the correct procurement process. The aggregated value must be used where applicable.</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Don't</b> consider submissions received after the deadline.</li> </ul>                                                                                                                     |

### **Procurement Definitions**

| <b>Title</b>       | <b>Description</b>                                                                                                                                            |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Aggregation</b> | Adding together the value of separate contracts for the same supply, service or works.                                                                        |
| <b>Contract</b>    | A Contract for the purposes of these Rules shall be any agreement (whether or not in writing) between the grant applicant and one or more other parties for:- |

|                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                      | <ul style="list-style-type: none"> <li>• the sale of goods or materials;</li> <li>• the supply of goods or materials;</li> <li>• the execution of works</li> <li>• the provision of services (including accommodation and facilities).</li> </ul>                                                                                                                                                                                                 |
| <b>Competitive Source</b>                            | an independent provider bidding against another independent provider                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Goods</b>                                         | are material items i.e. equipment, food, vehicles etc                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>EU Public Procurement Directives</b>              | are rules and regulations that Public Sector organisations must adhere to when procuring Goods, Works and Services over a certain value threshold ( <b>£164,176</b> for Goods and Services and <b>£4,104,394</b> for Works contracts) - whereby an official Tender Exercise in accordance with the European Public Procurement Directives should be undertaken. These change every 2 years and are due to change on 1 <sup>st</sup> January 2018. |
| <b>Evaluation</b>                                    | a method of determining which offer provides the best value for money in accordance with the pre-determined evaluation criteria                                                                                                                                                                                                                                                                                                                   |
| <b>Evaluation Criteria</b>                           | A list of key requirements taken from the specification that will enable suppliers to explain how they intend to deliver the requirement which will be evaluated. The criteria by which the most economically advantageous tender will be determined is based on a combination of price/cost and quality criteria.                                                                                                                                |
| <b>Evaluation Panel</b>                              | It is best practice to establish an evaluation panel to undertake the evaluation exercise. It may be appropriate to have a cross functional team as a panel. Panel should agree specification and evaluation criteria. Panel should be consistent throughout each stage of procurement exercise                                                                                                                                                   |
| <b>OJEU (Official Journal of the European Union)</b> | is a publication in which all public sector contracts valued over a certain monetary threshold (currently <b>£164,176</b> for Goods and Services and <b>£4,104,394</b> for Works contracts) must be published                                                                                                                                                                                                                                     |
| <b>Sell2Wales</b>                                    | is a National Procurement Website where all public sector contracts are advertised. Third Party Grant Recipients can also advertise via the website free of charge, please visit the Sell2Wales website <a href="http://www.sell2wales.gov.uk/">http://www.sell2wales.gov.uk/</a> and contact the website helpline on 0800 222 9004 for further information.                                                                                      |
| <b>Services</b>                                      | tasks undertaken by people i.e. consultancy services, translation services etc                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Specification</b>                                 | this is a written statement that defines the requirements. The specification will vary according to the work, product or service concerned. For a simple product the specification may be a brief description, while in the case of a complex requirement it will be a comprehensive document. The description of the goods, works or services required must not refer to a specific make, brand or source.                                       |
| <b>Tender/Quote</b>                                  | is the document compiled by a potential supplier in response to an invitation to quote/tender. It sets out general information demonstrating the capability and eligibility of the supplier - including detailed information about how they propose to fulfil the specifications of the requirement.                                                                                                                                              |
| <b>Works</b>                                         | include landscaping, construction, building works etc                                                                                                                                                                                                                                                                                                                                                                                             |

If you have any queries as to how these procedures should be applied, you should contact the PDF officer for clarification and further guidance.



## **Ammanford Regeneration Development Fund**

### **Annex 4**

#### **Publicity Requirements**

If funding is awarded towards a given project the developer / applicant must ensure that recognition is given to all the bodies listed below:-

- Carmarthenshire County Council

The Guidance sets out how developers / applicants can meet their publicity requirements at each appropriate opportunity (e.g. use of logos on stationery, leaflets, websites etc) and who you should contact for further information and advice, and where relevant, approval (e.g. logo size).

Carmarthenshire County Council will provide funding sign boards for the construction period of the scheme and plaques for displaying on completion.

Carmarthenshire County Council will reserve the right to undertake press releases at specific mile stones of a project, for example at approval & commencement of the scheme and on completion.

Applicants are advised to contact Officers for further guidance.

