

Carmarthenshire Rural Enterprise Fund

Guidelines for Applicants



Grant aid to support private & third sector enterprises to develop new and existing business premises in Rural Carmarthenshire.

Carmarthenshire Rural Enterprise Fund - Grant Guidelines

1. Introduction

- 1.1 Carmarthenshire County Council has made available funds to provide grant aid for capital projects for the county's rural enterprises. The Grant will provide assistance to enterprises and sole traders for the development of new and existing business premises, where new jobs are created as a result of the project.
- 1.2 The programme has a fixed budget and accordingly the scheme is based on a "challenge" principle. Priority will be given to applications that will provide tangible benefits to the local economy in terms of quantity and quality of direct jobs created in key sectors.
- 1.3 This scheme will be operated under the Welsh Government Capital Investment Aid and Employment Aid Scheme Ref: SA.49662

2. Eligible Areas / Applications

- 2.1 The building to be developed, improved or extended will have to be based in Rural Area of Carmarthenshire as defined in Local Development Strategy for Rural Carmarthenshire - Eligible local authority Wards include:

Abergwili	Kidwelly	Llangyndeyrn
Carmarthen Town North	Laugharne Township	Llannon
Carmarthen Town South	Llanboidy	Llansteffan
Carmarthen Town West	Llanddarog	Llanybydder
Cenarth	Llandeilo	Manordeilo & Salem
Cilycwm	Llandovery	Pembrey
Cynwyl Elfed	Llandybie	Ponytberem
Cynwyl Gaeo	Llanegwad	St Clears
Garnant	Llanfihangel Aberbythych	St Ishmael
Glanamman	Llanfihangel Ar Arth	Trelech
Glyn	Llangadog	Trimsaran
Gorslas	Llangeler	Whitland
Hendy	Llangunor	Quarter Bach

- 2.2 All applicants must be economically and financially viable.
- 2.3 Grants for works to property will be available to owners of the freehold interest in the property or to lessees holding a lease that has a minimum of seven years remaining at the anticipated time of final payment of grant

Leaseholders will have to secure their landlord's written consent to the proposed works.

3. Ineligible Works

These include:-

- Refurbishment where the use of a building will not be changed.
- Routine repair and maintenance works.
- Works relating to health and safety requirements/statutory regulations.
- Acquisition of property.
- Soft landscaping.
- Works which have already commenced.

Ineligible Sectors - Please refer to the Welsh Government Capital Investment Aid and Employment Aid Scheme Ref: SA.49662

4. The Grant

The grant will be either based on £20,000 per job created or up to the following intervention rates, whichever is the lesser figure:-

Small Enterprises	Medium Enterprises	Large Enterprises
45%	35%	25%

This grant cannot be match funded by other public funding.

The maximum grant is £128,000. In exceptional circumstances this may be increased. This is at the discretion of Carmarthenshire County Council and the decision will be final.

5. Application Process

The procedure will consist of a two-stage application process.

5.1 The Stage 1 application must be accompanied by the following:-

- Sketch drawings of the proposals/existing buildings

Completed application forms & drawings must be submitted to:

**Carmarthenshire Rural Enterprise Fund
Carmarthenshire County Council
County Hall
Carmarthen
Carmarthenshire
SA31 1JP**

5.2 The grants panel will then assess and consider all applications and will inform applicants as to whether or not they have been successful at stage 1.

5.3 If successful the applicant will then be requested to submit a more detailed Stage 2 application form accompanied by:-

- An A4 size or OS map extract of sufficient scale to clearly identify the exact location of the property concerned.
 - A current schedule of condition/structural survey of the property prepared by a professionally qualified surveyor or architect may be required, depending on the nature of the project.
 - Scaled drawings showing the existing building and the proposed works together with a detailed specification of the works. These should be prepared by a suitably professionally qualified architect / quantity surveyor.
 - Where applicable copies of all relevant statutory consents.
 - A statement showing the proportion of the fees that are attributed to the works and the name and qualifications of any professional consultant employed by the applicant.
 - A programme of works and forecast cost expenditure.
 - Latest accounts or in the case of a new business an income and expenditure forecast for the next 12 months.
 - Proof of land ownership or copy of lease together with landowners consent.
 - Proof of match funding.
 - Detailed business plan clearly showing how the project will proceed, to include 3 years cashflow projections. Assistance may be available with this, please contact the Carmarthen, Ammanford & Rural Team on 01267 242429 for advice on possible support
 - Detailed job descriptions for all jobs that will be created as a result of this grant.
 - Quotations / tenders from suitably qualified professionals for the design, supervision and certification of proposed work
 - Quotes / tenders for construction work.
 - Tender report from applicants Quantity Surveyor.
- 5.4 The grants panel and Council's Executive Board Member will then assess and consider the individual stage 2 applications. The applicant will be advised of the decision. No appeals will be considered.
- 5.5 If successful the applicant will receive a formal offer letter in duplicate with terms and conditions which they must sign both copies and return one copy together with a schedule of works and grant drawdown forecast.

- 5.6 To claim an interim grant payment a successful applicant must complete, sign (applicant only) and return an interim claim form together with an architects interim valuation certificate, invoice from the contractor and proof of payment.
- 5.7 To claim a final grant payment a successful applicant must complete, sign (applicant only) and return a final claim form together with architects practical completion certificate, all original project invoices and proof of payment. If the eligible works expenditure is lower than anticipated in the grant offer, the grant will be reduced on a pro rata basis.

6. Definitions

Enterprise – any entity engaged in an economic activity, irrespective of its legal form. This includes self-employed persons and partnerships, Limited Companies or associations regularly involved in an economic activity.

Direct job - A permanent FTE job (30hrs+) which can be counted and monitored as part of the project e.g. one that is created as a result of support to that business

7. Assessment Criteria

Applicants should note that the County Council will be assessing the project against various criteria:-

- Number and quality of FTE jobs created.
- Number of buildings / floor area improved / developed.
- Value for money – based on the percentage of grant requested in relation to the economic benefits.
- Priority sector.
- Impact on Welsh Language
- Impact on Swansea City Region Strategy Objectives
http://www.swanseabaycityregion.com/getfile.php?type=site_documents&id=SBCR%20Econ%20Strategy.pdf

8. The Grant

- 8.1 The grant can only be offered in those cases where the Council is satisfied that without such aid the project will not proceed, either on the scale envisaged or within a reasonable time frame.
- 8.2 The amount of the grant offered to each project will be determined by the County Council and will be based on the lowest tendered cost of the approved works which are considered eligible for grant aid.
- 8.3 The amount of grant specified in the grant offer letter is the maximum County Council contribution towards the project. In the event of there being any reductions in the cost of the approved works, the County Council will make a pro-rata reduction to the amount of grant originally offered.

8.4 Grant will normally be awarded exclusive of VAT. If the applicant cannot recover VAT this may be accepted as an eligible cost at the discretion of the County Council, subject to the applicant undertaking to repay to the County Council any VAT element which later becomes reclaimable from HM Customs and Excise as a result of a change in the applicant's VAT status.

9. Contract implementation professional fees

9.1 Grant recipients must employ an appropriately qualified professional to assess tenders, 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 15% of the total construction 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. The professional consultant must hold a qualification appropriate to the nature of the works proposed.

9.2 Applicants should provide quotations/ tenders (in line with procurement guidelines as set out in section 12 below) from suitable qualified professionals for the design, supervision and certification of proposed works.

10. Application for grant

In making an application for grant, the applicant will warrant to the County Council that all information provided in connection with and accompanying both application forms is and remains true and accurate in all respects and that any estimates and anticipated forecast outputs or other facts were made after due and careful research and investigation. The warranty will be deemed to be given again at the time the applicant submits the grant claim form. Please note that the applicant and not any appointed agent acting for the applicant must sign the application form.

11. Land Registry

A restriction will need to be placed on the title deeds of the property and registered with the Land Registry for a minimum of seven years from the date of final grant payment. The applicant is responsible for arranging this and any associated costs. After this period the applicant will also be responsible for pursuing its removal and any costs associated with this process.

12. Procurement

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.

Please refer to Annex 1 for the rules

13. Avoiding conflicts of interest

It is possible that project applicants, or persons connected with them (such as relatives, business partners or friends) may wish to tender for a contract being offered by the project applicant. This is not unacceptable, but the applicant will need to make sure that they conduct the transaction as openly and as transparently as possible. If the applicant or any person connected with them, has an interest in any of the potential bids for a contract offered:-

- the applicant is required to declare any interest prior to the issue of tender documentation;
- a list of proposed tenderers is provided to Carmarthenshire County Council for consideration prior to issue of tender documentation;
- tenders should be returned directly to Carmarthenshire County Council
- the applicant should not be involved in the issue, opening or recording of those tenders.
- The process should be managed by an architect or quantity surveyor on behalf of the applicant.
- the applicant should consider how its procurement guidelines should be applied to ensure not only that the procedure is fair to all bidders but can be seen to be so also;
- every stage in the procedure should be recorded formally and the records retained on file and be made available for inspection.

14. Statutory Consents

Stage 2 applications must not be submitted until all required statutory consents (e.g. Planning Permission, Listed Building Consent, Building Regulation Approval have been applied for. A project without full approved consent may be considered at Stage 2 of the application process subject to status and any award of grant will be conditional on securing the required consent.

15. Insurance

For a period of five years from the grant award date, the applicant must comprehensively insure the property with a reputable insurance company and, if requested, provide the County Council with evidence of such insurance.

16. Repair and condition

For a period of 5 years from the grant payment date the applicant is required to keep the property in a good and substantial state of repair and condition.

17. Repayment of grant

Funding shall be withheld and/or, insofar as payment has been made, the grant recipient shall repay funding either in whole or in part, including if:

- a domestic check by the Authority, the National Audit Office, Wales Audit Office, or any of their representatives, identifies circumstances whereby a full or partial repayment of funding is due, or, if the Authority otherwise requires the funding to be withheld, reduced, cancelled or recovered;
- there has been an overpayment of funding;
- the applicant is found to have made any misrepresentation in connection with the application;
- the applicant has breached the provision of terms and conditions of grant;
- the property is not fully re-instated within 12 months of any occurrence giving rise to loss of or damage to the property;
- during its economic life, the project undergoes substantial change defined as being used for purposes other than those specified in the application, or, having a change of owner without notifying Carmarthenshire County Council. The economic life is the period of final payment of the grant.

18. Disposal of assets

- 18.1 The applicant must secure the County Council's written consent to any disposal of the property within 5 years of the final payment of grant.
- 18.2 The County Council will seek to register an interest in the grant aided property with the Land Registry by either a restriction or legal charge. In the case of unregistered land where the option of a restriction is not available there may be a requirement for a legal charge at all times. This process will alert the County Council to any change in the ownership or lease of the property. The Council will wish to ensure that no changes are made to the grant aided work and will not unreasonably withhold any consent but may require that the grant be repaid in part or in whole.

The Council will not unreasonably withhold such consent but may require that the grant to be repaid in part in line with the following:

Date of disposal of asset(s)	Amount to be repaid
Within 1 year	Funding to be repaid in full
Within 2 years	80% of funding to be repaid
Within 3 years	60% of funding to be repaid
Within 4 years	40% of funding to be repaid
Within 5 years	20% of funding to be repaid
After 5 years	No funding to be repaid

The above are minimum repayment requirements

19. Monitoring

- 19.1 Upon giving reasonable notice, the County Council reserves the right to inspect the property/works at any time between receipt of a grant application and the expiration of 5 years from the grant payment date. The County Council may appoint such professionals as it sees fit to undertake such inspection on its behalf.
- 19.2 The applicant must retain any original invoice, account or other document (including serial numbers of goods purchased) relating to your approved project for ten years from the date of the last award under the Welsh Government Capital Investment Aid and Employment Aid Scheme Ref: SA.49662. Records will be sufficiently detailed to establish that the conditions of the scheme have been met.
- 19.3 Details of any award exceeding 500,000 Euros given under the Welsh Government Capital Investment Aid and Employment Aid Scheme Ref: SA.49662, will be made publicly available via a State aid website within 2 years of the scheme being implemented.
- 19.4 Carmarthenshire County Council have the right to audit the activities of the grant on approved projects at all levels of delivery, on an appropriate sampling basis and will be, as far as possible, carried out before the final payment is made for a project but may occur after project completion

20. Other issues relating to the application for grant

20.1 Welsh Language

Applicants will need to outline the ways in which the scheme encourages the development of the Welsh Language and retain local workforce.
All signage erected as part of the project will be required to be bilingual.

20.2 Please be advised that you will need to comply with the Health & Safety at Work Act and Construction, Design & Management Regulations.

21. Asbestos

- 21.1 If asbestos is found within the building, which is the subject of a grant and it is evident at the outset then it may be possible for the applicant to include these costs within the overall project cost. If this is only established after a grant award then it will be the responsibility of the applicant to meet any costs associated with its safe removal and disposal from site.

22. Contact details

- 22.1 For further details on the grant scheme, please contact 01267 242419.

23. Submission of applications

23.1 Applications should be sent to the following address:-

Carmarthenshire Rural Enterprise Fund
Economic Development
Carmarthenshire County Council
County Hall
Carmarthen
Carmarthenshire
SA31 1JP

e-mail:- rfurlong@carmarthenshire.gov.uk

Annexe 1 - Third Party Grant Procurement Rules

Requirement	Total Value (excluding VAT)	Procurement Process
All	up to £4,999	<p>A minimum of 1 written Quotation <u>must</u> be obtained and retained.</p> <p>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.</p>
All	£5,000 and £24,999	<p>A minimum of 3 written Quotations <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.</p> <p>A documented record of the quotes sought, the evaluation process and the decision to award must be recorded for audit purposes.</p>
All	£25,000 and £74,999	<p>A minimum of 3 written Quotations <u>must</u> be sought from competitive sources*. The quotes must be based on:</p> <ul style="list-style-type: none"> • the same specification, • the same evaluation criteria and evaluated on a like for like basis. It is best practice to establish an evaluation panel. • the same closing date. <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 <u>must</u> 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>
Goods and Services	£75,000 and £164,176	<p>A minimum of 4 tenders <u>must</u> be sought from competitive sources*, with a minimum of 2 tenders to be received**.</p> <p>All those tendering must be provided with the same information:</p> <ul style="list-style-type: none"> • the same specification of requirements, • an outline of the evaluation criteria against which the contract will be awarded and • the same closing date for receipt of tenders, after which no submissions will be accepted. <p>The evaluation process you follow must be consistent with the original evaluation criteria outlined and an</p>

		<p>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 must 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 may be a requirement to advertise via Sell2Wales.</p>
Works	£75,000 and £4,104,394	<p>A minimum of 4 tenders must be sought from competitive sources*, with a minimum of 3 tenders to be received**.</p> <p>All those tendering must be provided with the same information:</p> <ul style="list-style-type: none"> • the same a specification of requirements, • an outline of the evaluation criteria against which the contract will be awarded and • the same closing date for receipt of tenders, after which no submissions will be accepted. <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 must 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 may be a requirement to advertise via Sell2Wales.</p> <p>For contracts in excess of £250k in value:</p> <ul style="list-style-type: none"> • In selecting contractors for the tender list it is recommended that the appropriate due diligence and financial checks are undertaken on those parties; • As a minimum, due diligence and financial checks must be undertaken on the preferred contractor following the evaluation and prior to contract award.
Goods and Services	Above £164,176	<p>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.</p>

Works	Above £4,104,394	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.
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Important Guidance

Advertising via Sell2Wales

* It is possible for you to advertise on the National Procurement website, 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.**
- **In cases where you are unable to satisfy the requirements of these procedures you must always inform the project manager.**
- **If you have any queries as to how these procedures should be applied, you should contact the project manager for clarification and further guidance.**

Do's and Don'ts of Tendering

Do's	Don'ts
<ul style="list-style-type: none">• ensure that any potential conflicts of interest are declared at the earliest opportunity.	<ul style="list-style-type: none">• Don't skew the specification to eliminate or to discriminate against suppliers i.e. limit the specification to a specific brand.
<ul style="list-style-type: none">• comply with the appropriate rules	<ul style="list-style-type: none">• Don't change the scope of the specification once distributed.
<ul style="list-style-type: none">• ensure that the specification is precise and not in excess of the requirements.	<ul style="list-style-type: none">• Don't change the evaluation criteria during the process.
<ul style="list-style-type: none">• ensure that the Evaluation Criteria is directly relevant to the subject of the contract	<ul style="list-style-type: none">• Don't give companies too short notice to quote.
<ul style="list-style-type: none">• complete and retain full records for future reference and audit purposes	<ul style="list-style-type: none">• Don't 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
<ul style="list-style-type: none">• ensure that quotes/tenders are evaluated on a 'like for like' basis.	<ul style="list-style-type: none">• Don't reveal prices to potential suppliers.
<ul style="list-style-type: none">• ensure that you treat suppliers in an open, transparent and non-discriminatory manner.	<ul style="list-style-type: none">• Don't breach confidentiality.
<ul style="list-style-type: none">• allow sufficient time for companies to quote	<ul style="list-style-type: none">• Don't open quotes/tenders in advance of the deadline.
<ul style="list-style-type: none">• 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.	<ul style="list-style-type: none">• Don't consider submissions received after the deadline.

Procurement Definitions

Title	Description
Aggregation	Adding together the value of separate contracts for the same supply, service or works.
Contract	<p>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:-</p> <ul style="list-style-type: none"> • the sale of goods or materials; • the supply of goods or materials; • the execution of works • the provision of services (including accommodation and facilities).
Competitive Source	an independent provider bidding against another independent provider
Goods	are material items i.e. equipment, food, vehicles etc
EU Public Procurement Directives	are rules and regulations that Public Sector organisations must adhere to when procuring Goods, Works and Services over a certain value threshold (£164,176 for Goods and Services and £4,104,394 for Works contracts) - whereby an official Tender Exercise in accordance with the European Public Procurement Directives should be undertaken.
Evaluation	a method of determining which offer provides the best value for money in accordance with the pre-determined evaluation criteria
Evaluation Criteria	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.
Evaluation Panel	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
OJEU (Official Journal of the European Union)	is a publication in which all public sector contracts valued over a certain monetary threshold (currently £164,176 for Goods and Services and £4,104,394 for Works contracts) must be published
Sell2Wales	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 http://www.sell2wales.gov.uk/ and contact the website helpline on 0800 222 9004 for further information.
Services	tasks undertaken by people i.e. consultancy services, translation services etc
Specification	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.
Tender/Quote	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.

Works	include landscaping, construction, building works etc
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