

CYNGOR SIR POWYS COUNTY COUNCIL.

REPORT TO PORTFOLIO HOLDER FOR REGENERATION AND DEVELOPMENT

24th February 2011

REPORT AUTHOR: HEAD OF REGENERATION AND DEVELOPMENT

SUBJECT: SEVERN VALLEY BUILT HERITAGE FUND

REPORT FOR: Information and Decision

1 SUMMARY

To seek the Portfolio Holder's decision on a further change to the capping thresholds for awards available under the Severn Valley Built Heritage Fund.

2 INTRODUCTION

As the Portfolio Holder will be aware, all awards of funding under the Severn Valley Built Heritage Fund are at the sole discretion of Powys County Council (as detailed within the scheme's published literature). In order to assist the Council in determining which projects should be assisted under the Scheme a "Selection & Prioritisation" matrix was prepared at the inception of the Severn Valley Built Heritage Fund that identified criteria against which applications for funding could be assessed. This assessment identifies which projects go furthest in meeting the scheme's objectives and is therefore used to determine the level of funding a project should receive (through the application of capping thresholds).

Nonetheless, as the Council's guidance note, entitled "Guidance on the Selection and Prioritisation of Works for Funding", identifies:

It should be noted ... that the (Selection & Prioritisation) criteria will be kept under review throughout the duration of the scheme to ensure that the aims and outputs of the scheme are being realised.

Following the implementation of the Fund and the receipt of both expressions of interest & subsequent applications for funding it became apparent that a review was required to the selection and prioritisation matrix and capping thresholds.

This review, and the changes implemented as a result, is detailed within the Portfolio Holder's report of the 18th January 2011 (attached as Appendix 1).

However, a further change is now proposed to the capping thresholds in addition to those changes previously approved.

3 PROPOSAL

The intervention rate for awards under the Severn Valley Built Heritage Fund is 70%, therefore any award of funding can not be more than 70% of the cost of the eligible works.

In addition to this restriction, capping thresholds have been applied to ensure that the take up of assistance was spread as wide as was possible, ensuring that as much benefit as possible could be achieved from the fund.

The current capping thresholds are as follows:

under 14	– refused
14-29	– capped at £25,000
30-45	– capped at £50,000
46+	– capped at £75,000

However, the imposition of an upper threshold does not provide the Council with the flexibility to consider requests for funding of more than £75,000.

Whilst it is anticipated that funding awards of more than £75,000 would be exceptional it is considered appropriate that the Council has the ability to make such awards to ensure that large projects which would make a significant contribution to meeting the Fund's objectives can be assisted thereby ensuring that its potential benefits are realised.

For example, the current "Selection and Prioritisation" matrix does not recognise the difference between a project providing 61m² of floor space for economic use and a project providing 500m² of floor space. Similarly it does not recognise the difference between a project that is capable of accommodating 5 additional FTE jobs and a project capable of accommodating 25 additional FTE jobs.

However, to revise still further the "Selection and Prioritisation" matrix or capping thresholds in an attempt to recognise such differences is not seen as practicable and, from experience gained to date following the submission of expressions of interest and subsequent applications, would only be applicable in a small number of exceptional cases.

Rather it is **RECOMMENDED** that discretion should be given to the Montgomeryshire Built Heritage Sub-Committee, when considering applications that score 46+ in the current matrix, to award funding of more than £75,000 to projects that it considers to be of exceptional value in meeting the aims of the scheme.

Whilst an upper limit ("cap") is not proposed for such exceptional funding awards the Sub-Committee in determining such an award will need to have regard to:

- the contribution the project makes to meeting the Scheme's objectives;
- the overall scale of the project (in terms of works to a built heritage asset);
- the overall investment being made by the applicant;
- previous grant awards and outstanding applications/expressions of interest;
- State Aid rules (which may cap funding available to the applicant); and
- the 70% intervention rate for grant wards under the Severn Valley Built Heritage Fund (any award of funding will not be more than 70% of the cost of the eligible works)

4 CORPORATE IMPROVEMENT PLAN

The Severn Valley Built Heritage Fund, by offering assistance to maintain and restore the fabric of historic buildings, supports the Corporate Improvement Plan priority of enhancing and sustaining the built environment.

Recommendation:		Reason for Recommendation:	
That the Portfolio Holder approves the change to the capping thresholds of the Severn Valley Built Heritage Fund.		To implement the Severn Valley Built Heritage Fund and to provide an appropriate level of assistance for eligible works.	
Relevant Policy (ies):			
Within Policy:	Yes	Within Budget:	Yes
Relevant Local Member(s):			

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APPENDIX 1

CYNGOR SIR POWYS COUNTY COUNCIL

REPORT TO PORTFOLIO HOLDER FOR REGENERATION AND DEVELOPMENT

18th January 2011

REPORT AUTHOR: HEAD OF REGENERATION AND DEVELOPMENT

SUBJECT: SEVERN VALLEY BUILT HERITAGE FUND

REPORT FOR: Information and Decision

2 SUMMARY

To inform Portfolio Holder of changes to the selection and prioritisation procedures and the capping thresholds of the awards available under the Severn Valley Built Heritage Fund.

2 INTRODUCTION

To ensure the achievement of all the fund's objectives a prioritisation assessment criteria was established in the form of a scoring matrix to enable a comparison to be made between projects therefore helping to identify those projects that would go furthest in helping to meet the fund's objectives.

Following our initial assessment of the prioritisation process upon applications received and the comments received at the meeting of the Montgomery Built Heritage Sub Committee on the 8th September 2010 the following changes are being proposed:

3 PROPOSALS

a) Prioritisation

- 1) Within the scoring matrix (Appendix A) there are two threads to the criteria economic outputs and built heritage factors. Although economic outputs are to be fulfilled by this fund to meet the requirements of WEFO, too much weighting was being given to that particular thread, therefore to address this over emphasis the following changes are proposed to the matrix.
 - Removal of criteria 'Number of Jobs created'. Any jobs created would be adequately catered for within the criteria 'jobs accommodated'. Therefore this output had the potential of being double counted. The number of jobs created is an estimated output unlike the other outputs which are actual; therefore it would not be appropriate to prioritise application on that basis.
 - Some of the scoring of the built heritage criteria have been adjusted to give them more weighting. Scores have been increased where items are felt to be of more significance/importance to the sustainability of our historic building stock.
- 2) Criteria 4 (Cumulative impact) – the word potential has been inserted so not to disadvantage those applications received early on in the lifetime of the programme or those from towns where no previous grant schemes have been operating. The low

and medium cells have been combined within this criteria as it was felt that there was little distinction between the two descriptions.

b) Capping

Thresholds were applied to ensure that the take up of assistance was spread as wide as was possible, to ensure that as much benefit as possible could be achieved from this funding. Initial thresholds were agreed as follows:

- under 30 -deferred
- 30-49 –capped at £50,000
- 50+ - capped at £75,000

From carrying out trials on potential applications it has become clear that the thresholds maybe set incorrectly, placing too many and also worthy applications on to a deferred list.

The establishment of a deferred list initially was to make sure that the opportunity was given for exceptionally worthy applications to come forward at a later date and for not all of the funds to have be allocated early on in the process.

Having reviewed this deferral option it has been decided that it may be very difficult to keep large numbers of applicants on such a list and to be able to justify the length of time to be allowed before re-considering their application. There is also an issue with applications requiring urgent repair works who simply could not afford to wait.

Therefore it is proposed to remove the option of the deferred list and to replace this with a third capping of £25,000 and refusal for those applications that score under 14. This would still allow small scale yet worthy projects to proceed as chances are the cost of these projects will be small enough for a maximum of £25,000 to make significance.

The revised capping thresholds are as follows, and have been approved by WEFO.

- under 14 – refused
- 14-29 – capped at £25,000
- 30-45 – capped at £50,000
- 46+ - capped at £75,000

4 CORPORATE IMPROVEMENT PLAN

The Severn Valley Built Heritage Fund, by offering assistance to maintain and restore the fabric of historic buildings, supports the Corporate Improvement Plan priority of enhancing and sustaining the built environment.

Recommendation:		Reason for Recommendation:	
That the Portfolio Holder approves the changes to the selection & prioritisation and capping thresholds of the fund.		To implement the Severn Valley Built Heritage Fund and to provide assistance for eligible works	
Relevant Policy (ies):			
Within Policy:	Yes	Within Budget:	Yes
Relevant Local Member(s):			

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