

Merthyr Tydfil County Borough Council

LOCAL GROWTH FUND (LGF) TOURISM CAPITAL GRANT

Guidance for applicants



Llywodraeth Cymru
Welsh Government



MERTHYR TYDFIL
County Borough Council
Cyngor Bwrdeistref Sirol
MERTHYR TUDFUL

1. Introduction

The Local Growth Fund (LGF) in Wales is designed to support productivity growth in areas with catch-up potential and address economic inequality in areas of deprivation. It can do this by supporting businesses growth, the creation of better paid jobs and strengthening of regional economies.

The LGF Tourism Capital Grant provides capital funding support to tourism businesses in Merthyr Tydfil that have been trading for 12 months, or more. The grant supports investment in physical assets or capital works that deliver long-term economic benefit (greater than one year). Both tourism accommodation providers and tourism attractions can apply.

Funded by the Local Growth Fund, this Fund aims to contribute to support projects that:

- Improve visitor facilities, product and amenities
- Create jobs
- Improve productivity and business growth
- Increase visitor numbers and overnight stays
- Stimulate innovation
- Enhance or expand commercial floorspace
- Reduced operating costs and/or generate additional income

All successful projects will be monitored against agreed outputs and outcomes and will require a baseline for comparison. This detail will be included in the grant offer letter.

Eligible Expenditure

Funding can support the following types of capital investment:

- Equipment costing £500 or more that creates a long-term asset (which brings an economic benefit greater than one year)
- Building works to improve or safeguard business/building
- Renewable energy installations or energy efficiency improvements
- Upgrades to lighting/heating to greener alternatives
- VAT costs only where the applicant is NOT VAT registered

Ineligible Expenditure

The grant **cannot** be used for:

- General repairs or maintenance
- Revenue costs (e,g staffing, marketing, running costs)
- Purchase of land, buildings or vehicles
- Planning or statutory application costs
- Hire/ Lease Purchases
- Costs incurred before grant approval (unless agreed in writing)
- Any invoices paid for using cash/credit card
- VAT where the organisation is VAT registered

2. The Grant

You can apply for the LGF Tourism Capital Grant if your organisation is:

- A Tourism Attraction Business in Merthyr Tydfil
- Accommodation Business based and registered in Merthyr Tydfil, which pays Business Rates (NNDR) to Merthyr Tydfil County Borough Council.

You are not eligible for the LGF Tourism Capital Grant if:

- You run an AirBNB/Accommodation Business which does not pay Business Rates (NNDR) to Merthyr Tydfil County Borough Council.
- Your business is primarily a public house/club/sports venue/restaurant.
- You are an un-constituted social business / group
- You are a social business / group without an organisational bank account
- The organisation/applicant has any financial arrears with the Council.

Grant Value and Intervention Rate

The grant will be a maximum of **80% of eligible costs**. Applicants must provide **at least 20% match funding**.

Each application must clearly demonstrate:

- Why grant support is needed
- That the amount requested is the **minimum necessary**

Maximum Grant Levels:

- **Tourism Attractions** - up to a maximum of **£50,000** exclusive of VAT (if applicable).
- **Accommodation Providers** - up to a maximum of **£20,000** exclusive of VAT (if applicable).

Each application will be considered on the basis of its specific circumstances.

All projects will need to be complete by the **19th February 2027** with all evidence of spend submitted.

All grants are at the discretion of the Council and are subject to budget availability. The amount of any grant offered will be assessed on an individual project basis, taking into account the environment and economic benefits arising. Grant funding will be awarded on a competitive basis.

Grants 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 Council, subject to the applicant undertaking to repay to the Council any VAT element which later becomes reclaimable from HMRC as a result of a change in the applicant's VAT status.

The Grant will usually be paid in agreed instalments on the production of invoices, interim certificates, or defrayment evidence etc.

Any variance to approved works will need to be agreed in advance with the Council.

3. Eligible applicants

The programme is open to Sole Traders, Partnerships, Limited Companies, Community Businesses, Co-operatives and Registered Social Landlords within the tourism sector. Grants for works to properties will only be available to owners of the freehold interest in the property or to lessees holding a minimum 7-year lease remaining on the property, at the time of receipt of a valid application. If a leaseholder, applicants must provide a letter of consent from the freeholder to the proposed works and a copy of the lease agreement.

It is the applicant's responsibility to ensure that all the necessary land ownership requirements are in place to implement the scheme.

4. Application Process & Requirements

Applicants must submit:

- A completed application form
- Relevant quotes/ costs for the proposed project
(For capital work/equipment items between £5,000 – £49,999, a minimum of three quotes will be required which should be submitted. The quotes must be based on the same specification)
- Itemised Bill of Quantities (if applicable)
- Copies of all relevant statutory consents
- Copy of insurance certification (e.g. Public Liability/ Building)
- Evidence of match funding – please confirm how you intend to finance your contribution to the whole project. Confirmation should be in the form of a bank letter or other official documentation (original paperwork will be required) such as a bank statement
- Loan details (If applicable)
- Proof of business bank account (personal accounts won't be accepted)
- Copy of the latest audited, annual accounts or financial statements
- Letter of consent from Freeholder (if Leaseholder)
- Copy of lease agreement from Freeholder (if Leaseholder)

Funding Timelines:

Activity	Timeframe/Deadline
Grant Schemes Open	11th August
Application Deadline	Friday 3 September 2026
Decision to applicants	Wednesday 23rd September 2026
Monitoring & Engagement	Ongoing case by case
Final Monitoring & Grant closure	19th February 2027

5. Procurement

When procuring goods or services, 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.

Estimated Value	Estimate/ Quote action required
£5,000 to £49,999	Three written quotes

Successful applications will be expected to fulfil the outputs indicated on the application form. Failure to comply may result in forfeiture of the grant and may prevent further applications. Applicants are therefore reminded to keep estimates to realistic levels.

It is the applicant's responsibility to ensure that evidence to support any outputs is made available to the Council, even if the property is leased out to a third party.

6. Statutory requirements and expectations

Applications should provide confirmation of any required consents, such as Planning Permission, Building Regulations, Change of Use, or Listed Buildings consent.

Applicants are responsible for seeking the appropriate consent(s) needed to carry out the project and ensure that all works comply. It is advised that Building Control and/or Planning Permissions and any relevant licences are applied for in advance of submitting an application.

Applicants will be expected not to be in arrears with payments or in dispute with the Council at grant approval stage and payment stage of the project.

All works need to comply with the Design Guidance issued by the Council and guidance within the schedule letter. Council officers are also on hand to provide advice on compliance with the Design Guidance.

The applicant must ensure that their business and premises are compliant with all relevant environmental health, trading standards and consumer protection legislation and have no history of non-compliance or convictions in respect of the current or former businesses operated by the same.

7. Decision making process

An assessment of the completed application and full supporting documentation will be undertaken by Council Officers. During this process additional information may be sought from applicants. From receipt of completed application and all supporting information, grant decision should be reached within 6 weeks.

Successful applicants will be issued with a grant offer letter together with relevant terms and conditions.

Unsuccessful applicants will be issued with a notifying letter.

8. 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 Council with evidence of such insurance.

9. Subsidy Control

In order to minimise distortion of competition, Local Authorities are responsible for subsidy control assessment. Each application will be considered on the basis of its specific circumstances. To assess whether a subsidy is in place, five UK subsidy criteria have been set out. These ask whether the support is:

- A financial (or in-kind) contribution?
- Provided by a public authority?
- Conferring a benefit?
- Selective?
- Potentially causing distortion in, or harm to, competition/trade/investment

10. Payment of grants

Payment of the grant will not be made until all works are completed to the satisfaction of the Council and subject to the following:

- Submission of original invoice(s)
- Submission of bank statement evidencing payment of all paid invoice(s).
- Satisfactory revenues check (confirmation that applicant is not in arrears with the Council).
- Confirmation that all necessary statutory consents relating to Environmental Health and/or public protection (if applicable) have been complied with.
- Confirmation that all necessary statutory consents including but not limited to *Planning Permission, Building Regulations, Change of Use, or Listed Buildings Consent* have been complied with.
- Confirmation from an independent Quantity Surveyor (as appointed by the Council) that the works have been satisfactorily undertaken. Final Grant payment will be based on a fair and reasonable cost as assessed by an independent Quantity Surveyor.
- If the independent Quantity Surveyor deems the work to be unacceptable, the applicant will have to rectify the work, at their own cost, and may incur a further cost for the Quantity Surveyor to reassess the work. If the work is not rectified to a satisfactory standard, the Council may have the work corrected and will withhold part or, whole of the Grant.
- Production of Interim/Final Certificates.

Interim payments are considered at the discretion of the Council.

Invoices paid through credit card/debit card/hire purchase/extended credit agreements/finance leases/contra invoices and cash purchases **will not** be considered for grant funding; Payments must be in the form of BACS, Faster payments, CHAPS or cheque.

11. Publicity

Projects must erect a sign on site during the construction phase, acknowledging funding sources. This will be supplied by the Council.

On completion of the scheme, projects must erect a funding plaque in a prominent place, acknowledging funding sources. This will be supplied by the Council.

The Council and Welsh Government reserves the right to publicise any project supported.

12. Transfer conditions / repayment of grant

Grant recipients who are awarded up to £49,999 will have a restriction registered in favour of the Council against the Grant funded Property/registered estate.

The restriction recorded shall be in the following terms or such similar terms required by Land Registry:

No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by Merthyr Tydfil County Borough Council or their Conveyancer.

Inappropriate Use of Social Media Conduct & Financial Clawback:

The Council maintains a commitment to professional partnership and mutual respect. To ensure the integrity of public funding, all grant recipients must adhere to the following standards of public conduct.

Standards of Professional Engagement:

- Recipients must maintain professional conduct across all digital platforms.
- Social media activity must not undermine the Council's reputation.
- Public discourse regarding grant-funded projects should remain constructive.
- Disparaging remarks about the Council may constitute a breach of agreement.
- This policy applies to all institutional and key personnel accounts.

Clawback Provisions & Enforcement:

- The Council reserves the right to trigger financial clawback procedures.
- Misuse of social media is grounds for immediate funding review.
- "Misuse" includes defamatory, libellous, or unfairly critical public posts.
- Verified breaches may result in the total recovery of disbursed funds.
- Future eligibility for Council funding may be permanently revoked.

13. Monitoring

Officers of the Council will be permitted full access to the property/ business in order for them to evaluate the effectiveness of the grant aid and compliance with its terms and conditions. The applicant will be contacted in due course in order to arrange a monitoring visit. Visits to the grant aided scheme by representatives of the Council will take place to monitor the progress of works. Thereafter, these visits will be arranged at 6 monthly intervals until all conditions and outputs are

attained and demonstrated.

14. Terms and conditions

A copy of the terms and conditions for the Grant will be provided with the formal grant offer.

15. Welsh Language

Applications in Welsh will not be treated less favourably than applications in English, in accordance with the Welsh Language (Wales) Measure 2011.

Mae'r ddogfen yma ar gael yn Gymraeg

This document is available in Welsh

Gellir cyflwyno ffurflen gais yn Gymraeg, ac ni chaiff ei thrin yn llai ffafriol na ffurflen gais a gyflwynir yn Saesneg.

An application form may be submitted in Welsh and will not be treated any less favourably than an application form submitted in English.

Croesewir gohebiaeth yn y Gymraeg a byddwn yn ymdrin â gohebiaeth Gymraeg a Saesneg i'r un safonau ac amserlenni.

We welcome correspondence in Welsh and will deal with Welsh and English correspondence to the same standards and timescales.

16. Submission of applications

Applications should be sent to the following address:-

Merthyr Tydfil County Borough Council
Enterprise Team
Orbit Business Centre
Rhydycar Business Park
Merthyr Tydfil
CF48 1DL

Alternatively by email to the Council's Enterprise Team:

economic.development@merthyr.gov.uk