

Two EU backed property development funds set to create £40m infrastructure boost for West Wales and the Valleys

The £7m Property for Business Development Grant Fund (PBDG) and the £7m Property Infrastructure Fund (PIF) are each expected to attract £13m of private sector investment and geared to stimulate the market to meet the needs of businesses.

Both Funds aim to bridge the financial viability gap that exists in parts of Wales between the cost of building, expanding or refurbishing properties and the completed market value of the property.

It is expected that together the schemes will deliver around 51,100m² (550,000sq.ft.) of new and refurbished floor space in areas that will provide tangible benefits to local economies, address market needs and support business growth.

Economy Secretary Ken Skates said:

“We know that private developers and businesses are reluctant to invest in some geographical areas simply because the cost of building or refurbishing a property is more than the end value of that property.

“These two new schemes, backed by EU funds, are geared to address this specific issue and will provide a significant investment boost. The grant support will stimulate the market, create new high quality industrial space and offices to accommodate jobs and meet the needs of business.”

Both funds are for new build and refurbishments/extensions/adaptions with the Property Infrastructure Fund aimed specifically at advance build developments and the Property for Business Development Grant Fund targeted at supporting businesses with bespoke expansion projects. The overall grant intervention rate for both Funds is 35%.

The successful projects, selected in conjunction with the regional stakeholders across Wales, will be those that achieve best value for money and create the greatest economic impact. The primary focus will be on projects in Enterprise Zones, Local Growth Zones and City Regions.

Stage 1 Applications, providing brief information on the project requiring support, will need to be submitted by the **30 April 2017** in order to be considered for a provisional allocation of funding.

For more information and an application form for businesses interested in the Property for Business Development Grant or developers interested in the Property Infrastructure Fund to support advance build development should email gde.pdg@wales.gsi.gov.uk.