

Background

The Catalysing Stalled Sites Fund (CaSS), is an East Sussex County Council one-off capital fund designed to:

- 1) help finance feasibility studies and business case development to support schemes that are not viable without public support to enable them to apply for public funding e.g. Local Growth Fund
- 2) Unlock stalled employment and housing sites¹ that have site specific reasons for remaining undeveloped with loan or equity share finance.

Eligibility

- Public and private sector organisations. Partnerships will be considered.
- The applicant must own the site or be applying on behalf of or in partnership with the owner.
- Applicants can only apply for one of the stages of the project – Feasibility, Business Case or Site Pre-Development Work at a time.

Criteria for Feasibility and Business Case funding

- Employment or housing scheme in East Sussex seeking to develop a bid for future funding streams of a significant size to contribute towards local plan targets.
- 50% match funding - in exceptional circumstances lower match contributions will be considered
- Housing sites with a minimum of 15 units.
- Site stalled for 12 months minimum

Criteria for Site Pre-development funding

- Employment or housing sites identified in the Local Plans only (excluding retail, hotel and catering) that is in the Employment Land Review or Strategic Housing Land Availability Assessment (SHLAA).
- Activity funded: Exceptional site specific pre-development work without which the site would remain undeveloped.
- Site stalled for 12 months minimum
- Normally the site must be a minimum half a hectare.
- 50% match funding of the unlocking cost up to a maximum of £200k
- Minimum size for housing site is 15 units (excluding social housing) with a guide build cost of £120k or less per unit.

Summary table

Qualifying expenditure	Maximum funding per project
1. Feasibility: This may be the first action required for a scheme and could highlight likely viability issues of the proposed development, outline job/home creation figures and potential levels of additional funding required for success of the project.	£20k Grant / loan Minimum 50% match

¹ employment and housing sites in the county means those which are allocated as such in the local plans. Please contact your local planning department to check.

	In exceptional circumstances a higher % will be considered
2 Business case: (Most likely following on from an initial feasibility assessment) – the reason for funding this is to unlock funding for the scheme, either private or public.	£30k Grant / loan Minimum 50% match
3. Site pre development work: this covers a range of site specific work including flood defences, environmental and locational issues (e.g. dereliction, access, low value). This may follow 1 above where it is identified it is required to gain viability. It may also follow on from an existing feasibility report, or be taken forward without. This type of funding is more expensive than 1 and it is dependent on the type of site infrastructure intervention required. It will however be undertaken at a stage where there is less risk and therefore more opportunity to recoup the initial outlay, perhaps with interest. Stalled employment sites will be assessed on the potential level of job creation.	£200k Loan / equity share Minimum 50% match

EOI FORMS CAN BE OBTAINED FROM: economicintervention.fund@eastsussex.gov.uk

Delivery Process

- The fund is delivered by the ESCC Business Funding Team using the existing East Sussex Grants and Loans panel.
- Applications for site development work is a two stage process with an Expression of Interest form (EOI) followed by detailed application stage for successful applications. EOIs are obtained from economicintervention.fund@eastsussex.gov.uk. Applications for feasibility studies and businesses cases are a single stage application on the same EOI forms.
- Applications will be appraised by the Business Funding Team on value for money; the difficulty of the issue; viability and deliverability and; by what percentage the release of the sites will contribute towards Local Plan targets (EOIs will be sent to boroughs and districts for confirmation of this).
- These will then be considered by the East Sussex Grants and Loans (G&L) Panel that meets quarterly at the beginning of June, September December and March. Applications must be received a minimum of 2 weeks prior to the panel meeting.
- The remaining fund is open to applications until the funds are exhausted.
- EOIs for pre-development work projects selected by the G & L Panel will be required to provide detailed project plan and costings for appraisal and presentation to the following G& L Panel. Applicants may be required to present to the panel.
- The level and type of funding will be recommended by the G & L Panel and can include a loan, share of profit or grant. The panel recommendations go the Director for Community Economy and Transport for final approval.
- Successful applicants will be sent an offer letter detailing the conditions of funding for the applicant to accept prior to entering into a contract.

Terms of loan funding

- The maximum loan period is 5 years for a straight loan though repayment can be deferred for the entire period so that it is repaid in a lump sum once the site is developed. If there is interest this will accrue during the deferred period.
- Alternatively a percentage of income can be negotiated for a period of up to 15 years if the project is high risk.