

RGF Round 3 Programme Bidding Guidance

This document provides guidance about how to complete the programme application form for Regional Growth Fund (RGF) Round 3. A separate guidance document is available for the project application form.

Where details of specific projects or components of the programme are not known, applicants should draw upon the programme plan to identify and provide evidence for expected benefits and use details of the planned appraisal process to forecast expected benefits. Throughout and across all types of bids, clearly identify the link to job growth.

In completing the application form you should refer to the glossary of terms at www.bis.gov.uk/rgf

Freedom of Information	
Fol	Provide reasons why you do not wish the operating Department to release the answers to any of the selected questions under a Freedom of Information Request. Please identify by question reference where information is considered sensitive. Character limit - 3,000
Section A: Applicant contact information	
A01 to A14	Contact information and administrative data for the primary contact for the bid. This should be the person the RGF Secretariat will contact with any questions regarding your bid.
Section B: Project description	
B01	Provide the name of one organisation or body that will be the principal recipient of RGF funds. RGF recipients and other partners should be listed in Section E of Part 2 of the application form (the Excel Spreadsheet)
B02	Provide the name of one organisation or body that will be responsible for the delivery of the programme. (This may be the same as B01).
B03	Refer to the guidance on public sector classification at: <ul style="list-style-type: none">http://www.hm-treasury.gov.uk/d/classification_sector.pdf
B04	Refer to Annex 1 of the General Block Exemption Regulations at: <ul style="list-style-type: none">http://ec.europa.eu/competition/state_aid/reform/gber_final_en.pdf
B05	Provide the title of the programme. This should clearly reflect the main activity of the bid. Character limit - 100
B06	State the total amount of RGF funding applied for.

B07	<p>State the region of the location of the main programme. For clarification of region, refer to</p> <p>http://www.ons.gov.uk/ons/guide-method/geography/beginner-s-guide/maps/index.html or</p> <p>http://www.ons.gov.uk/ons/guide-method/geography/beginner-s-guide/maps/regions-and-their-constituent-counties---unitary-authorities-as-at-2011.pdf</p>
B08	State the postcode of the location of the main project.
B09	<p>Set out the investment strategy for the area, and the aims of the programme. This should include a description of the main programme activities and how they relate to each other, as well as any synergies they will create when delivered together as a programme.</p> <p>Please ensure that the response clearly states the rationale behind your assertions, and where possible provide evidence, for example: Local Enterprise Partnership's strategic priorities for the wider area.</p> <p>Character limit - 1,000</p>
B10	<p>Provide a brief description of the text that can be used in public communications if your bid is successful.</p> <p>Character limit - 800</p>
B11	List up to five key local endorsements (e.g. Local Enterprise Partnership or a local Further Education college) that you have received for the programme and attach the letters of support to the application (including contact details so that we can verify the support).
Section C: Employment impact	
Section C	Complete Section C (Employment impact) of Part 2 of the application form. The information this produces can be used to answer questions in this section.
C01	<p>Provide an estimate of the number of years the programme will create jobs: your answer here will provide the basis of the terms and conditions of the grant, if the bid is successful.</p> <p>To answer this question you will have to complete Section C (Employment Impact) of Part 2 of the application form (the Excel spreadsheet).</p>
C02 to C05	<p>Provide the average number of direct/indirect jobs provided (either created or safeguarded) over the life of the programme.</p> <p>Analysis of job impacts should relate to full-time jobs and full-time equivalents only, where:</p> <ul style="list-style-type: none"> • Full-time job (FT) = 30 hours or more per week;

	<ul style="list-style-type: none"> • Part-time job (PT) = more than 15 hours, but fewer than 30 hours per week; • Two part-time jobs of 15-29 hours per week = one full-time equivalent (FTE). <p>Jobs created and jobs safeguarded must be listed separately. Where direct employment impacts occur away from the main programme location(s) (e.g. field sales posts) this should be identified in the Notes column in the spreadsheet.</p> <p>Job Title – for each distinct type of job created or safeguarded, the applicant should make an entry in a separate line in the table.</p> <p>NVQ Level – this should relate to the required skill level in order to fulfil the requirements of the job. NVQ levels are used as a common metric for expressing the skill level associated with a particular job. Guidance on classification can be found in Section E of Part 2 of the application form.</p> <p>Salary – this should be the gross annual basic salary (excluding any overtime, commission, expenses, bonus and shift pay and excluding employer contributions), stated in 2012 prices.</p> <p>Direct Jobs – direct jobs are those employed directly as a result of the investment by a programme partner. Employment milestones that trigger payment of support will be derived from the assessment of direct jobs. This may include temporary jobs e.g. in construction, which should be clearly identified in the pro-forma with an indication of the period over which these jobs will continue.</p> <p>Indirect Jobs - indirect jobs are those individuals employed as a result of the programme by some other entity, not identified as a programme partner. Indirect jobs will not be used to establish employment milestones. Indirect jobs include employment impacts within the supply chain or as a result of the wider economic benefits unlocked by the investment (such as infrastructure). Jobs created through income multipliers should not be included.</p> <p>Jobs Created – these are new jobs that will be created as a direct result of the investment projects supported by the programme (and would not be created if the programme did not go ahead). This may include temporary jobs e.g. in construction, which should be clearly identified in the pro-forma with an indication of the period over which these jobs will continue.</p> <p>Jobs Safeguarded – these are jobs that will be maintained as a result of the investment projects supported by the project. Jobs can only be considered safeguarded where there is real threat that they will be lost in the near future if the programme does not proceed. Jobs created/safeguarded (even where these have the same job title) should be entered on separate lines.</p> <p>To allow valuation of both direct and indirect impacts, applicants should include distributional impacts of employment created/safeguarded – for example, jobs likely to be taken up by</p>
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	<p>individuals who would otherwise be unemployed. Supporting evidence should be used to substantiate these expected impacts e.g. accessibility/proximity to deprived neighbourhoods, skill level of jobs created/safeguarded, co-working with voluntary and community sector (VCS) groups.</p>
C06	<p>Provide information and evidence on the indirect employment impacts. Expected employment impacts should be set out to include details of the assumptions being made and the data and research that have been used to draw these.</p> <p>This information should be detailed in the pro-forma in Section A of Part 2 of the application form, indicating that they are indirect jobs.</p> <p>Include a detailed description of any research and development activities, identifying activities that would not otherwise go forward in the UK if the project or programme was not successful.</p> <p>Evidence and guidance on how transport improvements can contribute to economic growth is available at:</p> <ul style="list-style-type: none"> • http://www.dft.gov.uk/webtag/ • http://webarchive.nationalarchives.gov.uk/+/http://www.dft.gov.uk/pgr/economics/rdg/webia/webmethodology/sportwidereconomicbenefi3137.pdf <p>Guidance on employment densities associated with different types of property use is available at:</p> <ul style="list-style-type: none"> • http://www.homesandcommunities.co.uk/public/documents/Employ-Den.pdf <p>Character limit - 600</p>
C07 to C10	<p>Complete Section B (Geographical Impact) of Part 2 of the application form, to show the estimated spread of impacts (both direct and indirect jobs) at the local authority district level, recognising that impacts could occur in areas which are not near to the project location. The location should refer to the workplace not the place of residence.</p> <p>In order for the jobs created to be assessed against the second objective of the fund – to support in particular those areas and communities that are currently dependent on the public sector make the transition to sustainable private sector led growth and prosperity – it will be necessary for applicants to set out where specific impacts will fall. Official statistics which will be used to assess the locations of the programme coverage against this objective and the data can be found on the Regional Growth Fund website: http://www.bis.gov.uk/rgf</p> <p>Please note: for the purposes of assessing reliance on public sector employment, “Unknown districts elsewhere in England” data will be treated as the national average for England. Employment impacts outside England will not be included in the analysis.</p>

C11	<p>Consider any links with Local Enterprise Partnerships or other local strategies, initiatives or related activities by key partners, and the realistic economic prospects of the area.</p> <p>Where possible provide explanations on how their programme would align with the Local Enterprise Partnership's priorities. Where a proposed bid does not address such priorities, or is not consistent with them, the bidder should outline why.</p> <p>As part of this you may refer to:</p> <ul style="list-style-type: none"> • whether you have contacted a local authority or Local Enterprise Partnership either in the preparation of your bid and refer to any resulting support or otherwise (if your bid is not a formal partnership with either); • synergies with other projects or initiatives going ahead in the area, either public or private; • an economic vision for the area, as agreed by the local authority or Local Enterprise Partnership, or key local policies; and • the socio-economic characteristics of the locality and how the project relates to them. This may include: specific reference to comparative advantage; specialist skills or infrastructure which support the project; or barriers to growth which the project may address, such as congestion or a skills shortfall. <p>With regard to investments which unlock/enable economic activity and indirectly result in goods or services being offered to market, applicants should provide the information described above, both for the programme to be directly funded by the RGF as well as the economic activity unlocked by the investment.</p> <p>Character limit - 600</p>
C12	<p>Please specify the geographic target area and spread within which the funding will be distributed by the programme to deliver its aims. Where possible, include a brief explanation of which activities/investments will occur at which locations.</p> <p>Character limit - 600</p>
Section D: Sources and uses of funding	
D01	<p>All sources of funding for the programme should be identified.</p> <p>Any private sector funding that is labelled as match-funding (i.e. is conditional on public sector investment through the RGF) must also demonstrate that the funding would not materialise without public support (i.e. is additional).</p> <p>All public sector funding related to the programme should be clearly identified. This includes any application or planned application for European match funding (e.g. ERDF) or expected national and sub-national funding. The applicant should provide details of the public body making the award and the name of the</p>

	<p>scheme.</p> <p>Against each source of funding - indicate whether the funding is confirmed, and if so, the terms of this arrangement. Where funding has not been confirmed this should be made clear along with an indication of the state of negotiations and expected terms.</p>
D02	<p>Set out in the table the main uses of the funding for this programme. The total amount should equal the sources of funding identified in Question D01.</p> <p>If the programme uses a revolving funding model, e.g. a loan or loan guarantee, please provide details and financial projections based on the level of RGF support you have bid for at the end of Section C in Part 2 of the application.</p>
Section E: Why do you need RGF funding?	
E01	<p>Identify the minimum amount of support required to take this programme forward, in order to maximise the probability of success of your application.</p> <p>Make a quantitative assessment of the minimum amount of support required to bring forward the programme as proposed. This calculation should be driven by financial analysis of the programme, with reference to any relevant alternative investment options. The applicant's calculations should be clear and supported by a commentary on key assumptions and factors (e.g. overdraft limits, alternative location costs, gearing etc). Any supporting documentation, market data or analysis that substantiates this assessment should be provided.</p> <p>Please note that once an offer of support has been accepted, no allowance can be given for any subsequent increase in overall programme costs.</p> <p>Specify, with justification, the type of financial instrument that is considered most appropriate (e.g. grant, loan, loan guarantee), and their preferred timing/profile of this support by year (or quarter if available).</p> <p>Please indicate whether the programme is scalable demonstrating how outputs and outcomes change when programme funding changes.</p> <p>Character limit - 1,200</p>
E02	<p>The following list should be considered in response to this question.</p> <p>In the absence of RGF support, the programme as proposed will:</p> <ul style="list-style-type: none"> • Go ahead without public support; • Go ahead with other public support (please specify which other type of public support);

	<ul style="list-style-type: none"> • Be abandoned; • Go ahead outside of the UK; • Go ahead in another part of the UK; • Go ahead on a reduced scale (please specify the nature of the reduction in scale); • Go ahead on a slower timescale (please specify the length of the delay); • Some combination of the above. <p>Identify any alternative options for bringing the programme forward include alternative sources of public funding, non-financial solutions involving the public sector (e.g. co-ordinating activities) or an entirely private sector solution (e.g. collaboration or joint venture).</p> <p>Character limit - 1,200</p>
Section F: State aid	
F01	<p>Briefly state why the amount of RGF support applied for is considered to be compatible with State aid rules. Refer to the General Block Exemption Regulation and other State aid frameworks:</p> <p>http://ec.europa.eu/competition/state_aid/reform/gber_final_en.pdf</p>
Section G: Market outlook	
G01	<p>Describe what the main products or services directly offered to the market by beneficiaries of the proposed programme. For example, describe how the programme will unlock specific private sector activity.</p> <p>Character limit - 200</p>
G02	<p>Summarise the key characteristics of the market for the main product or service related to the proposed programme. For example, a programme that will help SMEs access finance should describe the characteristics of the SME finance market.</p> <p>Character limit – 1,200</p>
G03	<p>If your answer contains commercially sensitive information you should indicate this in the Freedom of Information section at the front of the form.</p>
G04	<p>Priority will be given to programmes that will help the private sector to be economically sustainable in the medium to long term</p> <p>Character limit – 1,200</p>
G05	<p>This estimate should take account of any recycling of funds.</p>
G06	<p>Where the proposed programme will recycle funds, assumptions about rates of return and delinquency should be stated carefully.</p>

	Character limit – 1,200
Section H: Risk	
H01	Select the statement that best describes the level of technical / execution risk: very high; high; medium; low; routine investment; or no risk.
H02	Select the statement that best describes the applicant / principal recipient of RGF funding: very stable and reliable; stable but can be affected by market forces; prone to be affected by market forces; vulnerable to adverse market conditions; likely to be impaired by adverse market conditions; dependent on favourable market conditions; highly dependent on favourable market conditions.
H03	Priority will be given to programmes with robust risk management strategies.
Section I: Wider economic costs and benefits	
Section I	<p>This corresponds to Section D of Part 2 of the application form.</p> <p>The core objectives of RGF are to stimulate economic growth through private sector investment and employment creation particularly supporting areas currently dependent on the public sector. Programmes may deliver wider impacts (including economic, social and environmental) that lie outside of these core objectives.</p> <p>Section E of Part 2 of the application form provides an opportunity to report any other type of impact associated with the programme, detailing supporting data and information that will help to characterise, and quantify or monetise these impacts. Where impacts can be attached to specific areas, the location of impacts should be included.</p> <p>Guidance on the identification of regeneration, renewal and regional development impacts:</p> <ul style="list-style-type: none"> • http://www.communities.gov.uk/documents/corporate/pdf/146865.pdf <p>Guidance on employment densities associated with different types of property use:</p> <ul style="list-style-type: none"> • http://www.homesandcommunities.co.uk/public/documents/Employ-Den.pdf <p>Guidance on the identification of environmental impacts:</p> <ul style="list-style-type: none"> • http://www.defra.gov.uk/corporate/policy/guidance/env-impact/index.htm <p>Where applicants are claiming transport impacts, these should be supported by a completed Appraisal Summary Table (AST) and a summary of the assumptions and evidence that have been used to populate it. Guidance on the identification and estimation of</p>

	<p>transport infrastructure impacts; and completion of the AST can be found at:</p> <ul style="list-style-type: none"> • http://www.dft.gov.uk/webtag/documents/index.php <p>The robustness of the modelling and analysis supporting the assessment of transport impacts should be proportionate to the size of bid. We do not prescribe specific modelling approaches, but it will be the applicant's responsibility to provide to our satisfaction a clear demonstration of the transport related impacts. Whilst applicants are not required to provide full technical details (e.g. description of the model, validation report) as part of the application, Government may request relevant material to inform the assessment of the bid.</p> <p>Link to the Green Book:</p> <ul style="list-style-type: none"> • http://www.hm-treasury.gov.uk/d/green_book_complete.pdf.
I01	<p>This is an opportunity for applicants to showcase other activities they are likely to undertake which sit alongside but are not funded by the RGF that are likely to have additional wider societal benefits e.g. contributing to the work of their Local Enterprise Partnership, providing advice/guidance to local SMEs or opening up their facilities to schools/colleges, etc.</p> <p>Character limit - 600</p>
I02	<p>Programmes may be associated with a long-run future stream of benefits, in some cases the initial investment alone may not be sufficient to ensure that these benefits are realised.</p> <p>In instances where a stream of future benefits is contingent upon subsequent investment or maintenance expenditure the applicant should indicate the timing and scale of these costs – and also indicate where responsibility for these costs resides.</p> <p>An example of this includes transport infrastructure that requires maintenance expenditure at points throughout its lifecycle.</p> <p>It is acknowledged that the timing and scale of long-run future costs may be associated with uncertainty; however, applicants are asked to indicate the broad order of magnitude associated with these costs. Where quantification is not possible, please describe the costs qualitatively.</p> <p>Character limit - 600</p>
I03	<p>Include dates, the public sector body applied to, the amount of monetary support applied for, the purpose of the support and the outcome of the application.</p> <p>Character limit - 600</p>
Section J: Equality	
Section J	<p>In order to comply with the Equality Act 2010 it is required that we monitor any disproportionate impacts the RGF has on protected</p>

	groups. Character limit – 2,000
Section K: Governance and capability	
K01	Specify who will act as the accountable body for the programme and provide details of any relevant previous experience or expertise which will allow them to act effectively in this capacity. Applicants should agree a programme partner who will be the accountable body to manage spending of public funds. They will take responsibility for the legal and financial management of the public funds, ensure that funding is allocated in line with the objectives and criteria of the Regional Growth Fund and put in place an audit trail that demonstrates the funding is spent correctly and legally. Character limit - 100
K02	Identify how the accountable body will be funded. This should capture the cost of Green Book compliant value for money assessments and State aid checks. Character limit - 300
K03 & K04	Outline the delivery plan for the programme including timescales with key milestones for the different activities and when the outputs and outcomes will be delivered. Some outcomes may continue to be delivered beyond the lifetime of the funding and these should be highlighted in the plan. Character limit – 1,200
K05	Set out the governance process by which funding will be allocated to the components of the programme and the system of appraisal to be used, including any benchmarks that you propose to use to inform appraisal. Provide where possible information and evidence to demonstrate the ability of those involved to act effectively in this capacity.
K06	Set out the process by which specified outputs and outcomes will be monitored and measured, including when, how and by whom evidence of delivery will be reported.
K07	Set out the mechanisms to monitor and evaluate the impact and process of the programme on a regular basis. Specify how this will be funded and who will carry out this process.