

## COAST TO CAPITAL LOCAL GROWTH FUND -CALL FOR GROWTH PROJECTS GUIDANCE NOTES

The first three rounds of Growth Deals saw Coast to Capital secure an allocation of £292m from 2015-2021 to invest in capital projects or as allocations of funding to run as competitive rounds. All new projects funded from the Growth Deal are expected to contribute towards the Coast to Capital Gatwick 360 Strategic Economic Plan (SEP), the Coast to Capital Business Plan 19/20, in order to deliver economic outputs and growth.

Coast to Capital is launching a new 'call for projects' that will be funded from our remaining unallocated Growth Deal funding. This will specifically target projects that contribute towards the Coast to Capital Gatwick 360 Strategic Economic Plan (SEP); to deliver economic outputs as detailed within the 8 priorities listed in the SEP, or to support medium term delivery of our Strategy.

This current call will be open for Expression of Interest (EOI) applications from Tuesday 11th June 2019 until **12noon on Tuesday 2<sup>nd</sup> July 2019**; any application received after this deadline will not be considered.

Applications should be submitted electronically to [localgrowthfund@coast2capital.org.uk](mailto:localgrowthfund@coast2capital.org.uk). Submissions will be acknowledged within 24 hours. Subject to any changes to deadlines, the project appraisal and prioritisation process will take place in July and you should be informed on whether your project has been successful by the end of July 2019. Coast to Capital reserves the right to amend this timeline.

Each project will need to complete the EOI template and supporting excel spreadsheet, both of which can be downloaded from the 'related resources section' on the website via this link  
<http://www.coast2capital.org.uk/new-call-for-bids-local-growth-funding>

Please ensure that you use these guidance notes to assist you in producing the EOI and completing the supporting excel spreadsheet. It is important we receive both documents and all sections / tabs complete.

The minimum funding that can be applied for is **£500,000 and the maximum is £2,000,000**. All projects will need to be at least 50% match funded, and must be at least the required percentage of the total project costs.

The Local Growth Funding for this call must be **fully spent before 31<sup>st</sup> December 2020**, and all applicants will have to demonstrate capital expenditure within both 2019/20 and 2020/21 financial years. Prior to the EOI applications being scored/evaluated, Coast to Capital will conduct an initial sift/confidence assessment, based upon evidence provided to support proof that the funding will be fully drawn down by this date. EOI applicants that we deem are unable to meet our spending deadline will not be taken forward for evaluation. Successful projects will be able to retrospectively claim LGF with effect from 1<sup>st</sup> April 2019.

Applicant's attention is drawn to the terms and conditions of applying for this funding round, which are detailed within the EOI application form.

As with previous rounds, the Local Growth Fund can only be used to fund **capital** expenditure as per the CIPFA guidelines. Match funding can be used for revenue expenditure if required, but projects which are entirely revenue expenditure cannot be considered.

Project applicants successful at EOI stage will need to provide robust evidence of State Aid compliance on submission of their full business case (FBC). For the avoidance of doubt, unless adequate and conclusive state aid advice is demonstrated with the application form, applications will not be accepted or evaluated. It is therefore very important to consider and address state aid adequately within your applications whether you are a public sector body or a private company.

Each project will be assessed against a set of strategic criteria (outlined below) by the Coast to Capital Senior Management Team (SMT), under delegated authority from the Coast to Capital Investment Committee. If deemed necessary by the SMT, an independent expert may be engaged to assist the review process. The Investment Committee will then receive all EOI documentation, score sheets for each applicant, the longlist of projects with funding recommendations.

The Investment Committee will then review the above documentation and shortlist projects who have scored the highest, are most deliverable and show the best strategic fit. The shortlist of projects within the funding envelope will be asked to complete and submit a full business case (FBC). The FBC's will be sent for further scrutiny and evaluation by the Investment Committee. An independent assessment of value for money and any other factors deemed necessary to allow the Investment Committee to make final funding award decisions may be undertaken on full business cases as required. Coast to Capital reserves the right to not undertake independent assessments of all business cases.

The Investment Committee will then meet in September 2019 to formally decide successful projects, following a presentation from applicants, which will allow opportunity for Committee members to ask questions. As the funding threshold is no more than £2million, the Investment Committee can make funding approvals at their meeting, and will formally 'note' these decisions to the Coast to Capital Board in October via the consent paper.

As per the EOI declaration, there is no right of appeal and projects not selected to progress to FBC stage in this round will be formally told in writing. However, no further feedback will be provided at this stage, and individual scores will not be released.

### **Assessment Criteria**

All projects that are submitted will go through an initial sift review for completeness of information and eligibility by the Coast to Capital Investment Programme Management team, before they are evaluated further.

The programme management team will be ensuring the following in this initial sift:

- A. The project is applying for at least £500,000 and no more than £2,000,000 of LGF and this is being matched by at least 50%, with evidence of availability of match.
- B. The project will spend the requested LGF within the 19/20 and 20/21 financial years (with a firm deadline of 31<sup>st</sup> December 2020).
- C. Only capital expenditure, as defined in the CIPFA guidelines, is eligible for funding. Match funding can be used for revenue expenditure if required, but projects which are entirely revenue expenditure cannot be considered.
- D. Submission of all relevant documentation:
  - One electronic copy of the Expression of Interest template, signed and dated.
  - Supporting Excel Spreadsheet (both tabs completed).
  - Any other Supporting documents that project applicants want to submit alongside the EOI. (e.g. letter of support).

The London Borough of Croydon as the Accountable Body for the Local Growth Fund will be part of the initial sift review alongside the Coast to Capital Investment Programme Management team.

Only projects applicants that have passed the initial sift review will be submitted for evaluation, further due diligence and scoring against a set of criteria. Applicants whose projects do not pass the initial sift will be informed following the decisions of the Investment Committee to call for full business cases and not before. Applicants will be advised in writing 'that their application was unsuccessful' for one of the following reasons :

- 1) Did not score high enough to make the final longlist.
- 2) Was long listed but not selected by the Investment Committee to be called to FBC at this stage.

No further correspondence (written or verbal) will be entered into regarding feedback and there will be no right of appeal.

**Scoring Mechanism** (Each criteria is given a score out of 10)

Core and Strategic Criteria	Description	Weighting
<b>1. Strategic Alignment:</b>	<ul style="list-style-type: none"> <li>-Does the project align or build upon the Gatwick 360 SEP (the more priority areas it meets the higher the score).</li> <li>-Does the project align with Coast to Capital's ambitions.</li> <li>-Does the project improve productivity.</li> <li>-Is this project going to be transformational.</li> <li>-How important is the scheme to our region.</li> </ul>	25%
<b>2. Robustness and Deliverability</b>	<ul style="list-style-type: none"> <li>-What is the delivery confidence assessment.</li> <li>-Is there any significant risk of non-delivery.</li> <li>-Is this project unconditional.</li> <li>-Does the project have or require planning permission.</li> <li>-Have any viability assessments been conducted.</li> <li>-Does the applicant have a good track record for delivery.</li> <li>-Is the project well thought out.</li> </ul>	15%
<b>3. Funding</b>	<ul style="list-style-type: none"> <li>-Is the LGF being drawn down in the best way possible.</li> <li>-Is all project funding in place, or is there still a funding gap to be met.</li> <li>-Is there a 50% minimum matched funding contribution.</li> <li>-Will a high proportion of matched funding be reported by December 2020.</li> <li>-What is the leverage ratio.</li> <li>-Would the project likely happen without LGF intervention.</li> <li>-Is the LGF going to be spent on true capital items.</li> </ul>	15%
<b>4. Outputs:</b>	<ul style="list-style-type: none"> <li>-Does the project create strong outputs across the key areas (Government, Gatwick 360 SEP, Coast to Capital Business Plan 19/20).</li> <li>-Are the outputs realistic.</li> <li>-Are the outputs good quality. (e.g. productivity increases).</li> <li>-Do the outputs provide good value.</li> <li>-Will any outputs be delivered before March 2021.</li> </ul>	15%
<b>5. Contribution to the environment:</b>	<ul style="list-style-type: none"> <li>-Does the project enhance our natural capital assets within the region.</li> <li>-Does the project contribute to carbon reduction.</li> <li>-Does the project contribute to an enhanced wildlife and access to the countryside.</li> <li>-Does the project contribute to bio-diversity enhancement.</li> <li>-Does the project contribute to sustainability.</li> </ul>	10%
Value for Money Assessment	Description	Weighting
<b>6. Value for Money:</b>	<ul style="list-style-type: none"> <li>-The level of match funding and wider leverage/investment, particularly the private sector investment.</li> <li>-An assessment against the cost per job/home (against national benchmarks).</li> <li>-Cost Benefit Analysis.</li> <li>-The need for LGF investment.</li> <li>-Are the costs reasonable.</li> </ul>	20%

## Expression of Interest (EOI) Guidance

The template Expression of Interest (EOI) and supporting excel spreadsheet should be completed for all projects that are applying for funding from the Coast to Capital Local Growth Fund.

The main purpose of the EOI is to put forward the detail on projects and how they align with the 8 priorities within the Gatwick 360 SEP, and/or to build upon medium term delivery of our Strategy.

The EOI template covers key area's that will be assessed against the above criteria. Each criteria is numbered, and the EOI headings below identify which criteria the scoring would relate to. Successful EOI applicants will have the opportunity to expand on the information provided through the Full Business Case.

1. Executive Summary	
<b>1.1 Brief Description of what your organisation does</b>  Criteria: 1, 2, 4, 5	Indicate what your organisation does, and its role in relation to the project.
<b>1.2 Summary of the project including what opportunity or barrier the investment will unlock:</b>  Criteria: 1, 2, 4, 5	Please provide a clear & concise overview of the project ensuring that you set out what opportunity or barrier the investment will unlock.
<b>1.2) Please choose a priority area that is most appropriate to your project.</b>  Criteria: 1	Please only choose one main priority of relevance. This should relate to the priority of spend.  The project can only fit into one theme so please choose the most appropriate.
<b>1.4) Highlight how the project it's the chosen priority above and our Gatwick 360 Strategic Economic Plan</b>  Criteria: 1, 4, 5	Link to the Strategic Economic Plan:  <a href="https://www.coast2capital.org.uk/storage/downloads/coast_to_capital_strategic_economic_plan_2018-2030_pdf-1535099447.pdf">https://www.coast2capital.org.uk/storage/downloads/coast_to_capital_strategic_economic_plan_2018-2030_pdf-1535099447.pdf</a>
<b>1.5) What key improvements would this project generate</b>  Criteria: 2, 4, 5	Please summarise the improvements this project will generate, being specific to the Coast to Capital region.
<b>1.6) Expected total project cost and source of funding.</b>  Criteria: 3, 6	Please complete the summary table provided and also complete the funding breakdown tab of the supporting excel spreadsheet. Please ensure you name the source of funding.
<b>1.7) How have the above costs been calculated?</b>  Criteria: 3, 6	Indicate where possible how the funding requested from Coast to Capital and total project costs has been calculated – identifying any formulas, or what evidence has been used.
<b>1.8) Why is Local Growth Funding required?</b>  Criteria: 3, 6	Explain why Local Growth Funding is required – indicate all other options that have been looked at. Where possible highlight what would happen to the project progression if LGF is not granted.

<b>1.9) Specify what the Local Growth Funding would be used towards?</b>  Criteria: 3, 6	Please summarise what project costs would be associated with the LGF funding – this should only be capital expenditure.
<b>1.10) Expected tangible core outputs/outcomes</b>  Criteria: 4, 5	Please summarise the outputs to be delivered by completing the table. If the project will not deliver any of the specified outputs please enter 0 against that output. Please also complete the outputs tab of the supporting spreadsheet.
<b>1.11) Value for Money</b>  Criteria: 6	Please detail how the project would offer good value for money. You should look to address the following. Cost per job, cost per home, cost benefit analysis and any other evidence of value for money.
<b>1.12) Please highlight key milestones related to the project including estimated start/completion dates.</b>  Criteria: 2	Complete the table indicating specific project milestones. This should show both start and completion date for the project, along with the LGF funding being fully spent. If possible please include events/PR opportunities.
<b>1.13) Main risks and issues the project will need to manage to avoid delays?</b>  Criteria: 2	Please summarise the key risks to the project that will need careful management. We also expect a full risk register to be submitted as an annex.
<b>1.14) What stakeholders support this project.</b>  Criteria: 1, 2	Indicate what stakeholders support the project and why, and if you have any evidence that could support this. You can also indicate what stakeholder engagement has been conducted.
<b>1.15 State Aid – confirm that your project is state aid compliant.</b>  Criteria: 3	Please provide an explanation of how your project is State Aid compliant and how you came to that opinion?  Further legal advice/ evidence will be asked of successful EOI applicants.
<b>Declaration</b>	
<b>Declaration</b>	<p>Please confirm that the information provided in the EOI is complete and correct.</p> <p>You must ensure that the person signing the form is authorised to do so on behalf of your organisation</p> <p>Please sign, print date and include the title of the person signing.</p> <p>Please attach all relevant documentation needed.</p>