



Scottish Government  
Riaghaltas na h-Alba  
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# **Regeneration Capital Grant Fund**

## **Second Stage**

### **Application Form**

### **Guidance Notes**

**2021/22**

**September 2020**

These notes should be referred to when completing the Regeneration Capital Grant Fund second stage application form. If you wish to include a map or images to illustrate the location or asset to be developed you can do so by providing these as **separate documents**. Please do not embed files or images within the application form. **Do not submit any other documentation, for example business cases or letters of support with the application as these will not be considered by the Panel.**

**You are asked to be concise and use the text box sizes as a guide to the level of response required at each section. The final application form should not exceed 30 pages.**

## Section 1: Cover Page

**Note:** To be eligible to apply for funding you must have received notification that your first stage application has been approved. If the lead organisation or title of the project has changed from the original first stage application please inform the Scottish Government Regeneration team. **Contact Billy Love, Regeneration Investment Manager [billy.love@gov.scot](mailto:billy.love@gov.scot)**

**Organisation :** The name of the eligible organisation that will take lead responsibility for the project and is applying for the grant.

**Project Title :** This should be the same as your first stage application.

**Project reference** Enter the reference number provided with your first stage approval email.

**Start Date :** Please enter the start date of the project which should be the date activity/spend commences on the project, and which must be after 1 April 2021 and prior to 31 March 2022. **Projects starting after 31 December 2021 will be scrutinised carefully in terms of their ability to drawdown grant prior to 31 March 2022. The panel is likely to give priority to projects which can demonstrate that the project works will have been procured by October 2021.**

**Total Project Costs :** Enter the total costs of the project to which the RCGF grant will contribute (do not include any in-kind contributions). The figure should be the same total as given at 17a.

**Total Grant Requested :** Enter the total RCGF grant being requested. The figure should be the same as total grant request given at 17a.

**Contact Details :** Provide the name, telephone and email for the person who can be contacted to discuss any queries on the application. This must be someone from the applicant organisation.

## Section 1: Organisation Details

Question	Notes
1	The name of the organisation that will take lead responsibility for the project and is applying for the grant. Should match cover page.
2	Full address including postcode should be entered here.
3	Name, Designation, full office address and contact details of person who can be contacted to discuss the application.
4	Name, Designation, full office address and contact details of person who can be contacted to discuss the application in absence of main contact.

## Section 2: Project Details

Question	Notes
5	Please describe clearly the community(ies) that will benefit directly from this project and include an accurate description of the location of the asset or land that is to be developed (with an address where possible ).
6	Please provide the start and end dates for the project. Start dates relate to the first RCGF spend on the project which must be on or after 1 April 2021. The end date relate to the physical completion (anticipated date for certificate of practical completion) of the project activity. This may not correspond to date of financial grant claim). <b>Please note</b> that expenditure / legal commitment in relation to the RCGF grant <b>must</b> have been made by 31/3/2022 in order to be eligible. Where grant is requested over more than 1 year, grant must be claimed according to the profile provided in the application form.
7	Provide details of the key stages of the project delivery and include the date that each stage is due to be completed. You should use this as a guide to activities to be described in the project description at Q9. Please ensure you include the following: planning in place, design team appointed, start of the procurement process, the date major contract works are awarded, which should ideally be prior to 31 October 2021, the construction period and completion date.
8	<p>If you have introduced or removed any elements of the project from that described in your first stage project application, please indicate this here.</p> <p>The Investment Panel will need to consider whether these are acceptable changes and do not impact on the approval of activity at first stage. If you have been advised to include or remove elements as part of the first stage feedback you should confirm this has been done at this section.</p> <p>You should only indicate a change if this will produce a new outcome or physical output on the project or similarly removed an output or outcome from the original application. Minor changes on how the project will be delivered do not require to be explained at this stage.</p> <p>If you have requested an increase in grant request from that indicated at stage 1, you should provide information to support your request here. The panel will consider any such request on a case-by-case basis.</p> <p>Following their meeting the panel may ask officials to discuss the level of grant award with project applicants, which may result in an offer of grant, which may differ from that which has been applied for.</p>
9	<p><b>Project Description</b></p> <p>Provide a detailed description of the overall project. You should include:</p> <ul style="list-style-type: none"> <li>• What will be physically delivered by the project.</li> <li>• The aim(s) of the project. How this will deliver additional and/ or better outcomes and how it will directly address and or allow the priorities identified by the local community to be tackled?</li> </ul>

- The reason this project is required, including background to its development. Further detail on community involvement should be included at Q11. Specific evidence of need should be included at Q13.
- Provide some detail on the project costs associated with the delivery of the project. Please make it clear what physical elements of the project will be funded by RCGF and provide further detail on the nature of those costs, this should be consistent with financial breakdown provided at Section 5. Please refer to the focus and eligibility of expenditure which is included within the Q and A.
- Please clarify who owns the asset(s) being developed and whether this will change throughout the process, e.g. Community Asset Transfer. Please note if the property is not owned by the Applicant a security over the property is likely to be required should grant be recommended.
- You should provide detail on how your project supports the local regeneration strategy/development plan or masterplan for the area, contributes to Single Outcome Agreements.
- You should describe how through project development, planning, design and delivery how the project will maximise the opportunity to reduce its impact on the environment and seek to deliver on Scotland's Net Zero emissions targets.
- URC's/SPV's should describe how this project contributes to their business/masterplan plan.
- You may also wish to refer to other policies at either national or local level, **if** these are relevant to your development, e.g.
- Achieving a Sustainable Future, the Scottish Government's Regeneration Strategy
- <https://beta.gov.scot/publications/achieving-sustainable-future-regeneration-strategy/>
- Climate Change:  
<https://www.gov.scot/policies/climate-change/>
- The Place Principle:  
<https://www.gov.scot/publications/place-principle-introduction/>
- Scotland's Economic Strategy:  
<https://beta.gov.scot/publications/scotlands-economic-strategy/>
- Town Centre Action Plan and Town Centre First Principle:
- <https://beta.gov.scot/policies/regeneration/town-centre-regeneration/>
- National Planning Framework
- Infrastructure Investment Plan
- Digital, Environmental, Renewables and Energy policies.  
City/ Region deals
- Community empowerment
- Local Authority Local Economic Development, Regeneration, Local Development and Strategic Development Plans.

	<ul style="list-style-type: none"> <li>• Applicants may also wish to consider how the project will address the Programme for Government and how it may contribute to delivering a Fairer Scotland, inclusive growth, addressing issues of inequality.</li> </ul>
10a	<p><b>Viability</b></p> <p>Please provide detail on how you anticipate being able to deliver the project demonstrating the project’s feasibility and practical delivery.</p> <p>Provide evidence to support how the project can be delivered within the proposed timescales and in particular that the project will commence and draw grant during 2021/22. Projects should be able to demonstrate that their capital works relating to the RCGF grant are fully procured and contractors appointed prior to 31 December 2021 with priority likely to be given to projects that can demonstrate they will be commence prior to 31 October 2021.</p> <p>Demonstrate that work is underway to ensure that funding from other sources will be secured, including the timescale for any decisions and likelihood of success. Please note that other funding sources detailed in section 18 are likely to be consulted on your application.</p> <p>Describe how the project will be managed and monitored to ensure it can be delivered in the timescales required. Please provide detail on any review of the project, feasibility or relevant business cases that support RCGF investment in the project and the sustainability of the project and its outcomes. Please <u>do not include</u> these documents with the application.</p> <p>Where appropriate provide evidence that there is demand for the project in terms of its economic potential, how it will provide opportunities for local community while the investment will address local market failure.</p> <p>Your response should consider the timescales indicated for the spend (Q6), the list of project milestones (Q7), project description (Q9), the funding package that has been put in place (Q17-18), and information relating to the planning and other legal requirements at Section 6.</p>

10b	<p><b>Legacy</b></p> <p>The RCGF provides initial capital investment for new or improved infrastructure. It does not provide long-term funding and it is therefore important that applicants have appropriate strategies in place to identify how they will ensure the sustainability of the project.</p> <p>Clarify any relevant discussions, timescales and agreements in place relating to securing and bridging with other funding opportunities to contribute to long-term viability of the project on order to deliver the outcomes anticipated by the project.</p> <p>Provide details of what will happen when your RCGF project is complete:</p> <ul style="list-style-type: none"> <li>• Options for future financing, grant support, the potential for mainstreaming and revenue generation.</li> <li>• Steps taken to ensure the sustainable usage of new infrastructure</li> <li>• Actions that will be taken to ensure the successful regeneration outcomes that the project is expected to achieve.</li> <li>• How on-going community involvement will be achieved.</li> </ul>
11	<p><b>Community Involvement</b></p>
	<p>Please provide evidence of <b>how you have engaged with and involved the people</b> living in the communities in the areas in which this project will be delivered.</p> <p>The expectation is that applicants will have involved local people in planning and developing the project. Detail how the local community has played an integral role in deciding on the project to be delivered, how it will meet their aspirations and how they will benefit from the outcomes.</p> <p>Demonstrate how local community representatives have been involved and contributed to the project proposal, and/or how the community will be involved in the roll out of the project if the bid were to be successful.</p> <p>If your project is to support a community of interest please include details of the wider community engagement that you have undertaken. This could be in the form of a community action plan or some wider strategy or policy.</p> <p>This process should embody the principles set out in the National Standards of Community Engagement.</p> <p><a href="http://www.scdc.org.uk/what/national-standards/">http://www.scdc.org.uk/what/national-standards/</a></p>

12	<p><b>Partnership</b></p> <p>In addition to the Community Organisations detailed at Q11, have you developed the project in conjunction with other partners, please describe any partnerships in place for the delivery of the project. Detail any partner, their roles in the project, funding contributions and how they will continue to be engaged throughout the delivery of the project and thereafter. Identify any longer term benefits or lasting legacy the partners in your project will bring to the community as a result.</p> <p>Describe how other third sector or public organisations will be involved in the roll out of the project, e.g. taking over running of a building, or public sector providing new/enhanced or additional services.</p> <p>Evidence to demonstrate contributions from partners is not required at the application stage but you may be asked to provide this if your application is successful.</p>
13	<p><b>Evidence of Need</b></p> <p>Please provide further information on the local communities this project will support and or the impact that the project will have on wider disadvantaged areas. Use this section to provide details of the needs and priorities identified by the communities in which your project will be delivered and seek to address.</p> <p>You should provide <b>current</b> evidence to support this which could include :</p> <ul style="list-style-type: none"> <li>• SIMD data</li> <li>• Rural disadvantage</li> <li>• Unemployment / Employment / Health / Education</li> <li>• Information that identifies the community as requiring further help to become sustainable and promote well-being.</li> <li>• Details of how this project will address the needs of the local community and how this will be measured.</li> </ul>
<b>Section 3 Regeneration Outcomes / Project Outputs</b>	
14	<p>Please refer to the list of Regeneration Strategy Supporting Outcomes that has been provided at Annex A.</p> <p>Please complete the table in the application form by including the appropriate Regeneration Strategy Outcomes for each of the three categories (i.e. physically, economically and socially sustainable communities), that apply to your project.</p> <p>Outcomes are longer term and relate to the positive change that the project aims to have on the community, such as increasing employment or improving health.</p> <p>Consider how the project has the potential to have a long term beneficial effect on the community.</p> <p>Physical Outcomes - as the nature of the fund is a capital grant fund, the emphasis and highest weighting is placed on physical regeneration which would result in outcomes that can deliver transformational change</p>

	<p>for the community.</p> <p>Economic outcomes may include demonstration that a project will bring economic benefit (in terms of investment, employment or training opportunities).</p> <p>Social outcomes may include demonstration that the project will enhance social cohesion, community well-being or safety.</p>
15	<p><b>Project outputs</b></p> <p>Please select as many of the project outputs that are relevant and will be achieved by the direct delivery of your project and provide a realistic estimate.</p> <p>You may include additional outputs that the project will achieve but ensure you provide corresponding justification at 15b.</p> <p>Should your project ultimately be funded you will be expected to provide updates on these figures as part of the monitoring and reporting processes for the project up to 1 year after the physical completion of the project.</p>
15b	<p><b>Description of indicators chosen, regeneration outcomes and project outputs</b></p> <p>Please provide a brief explanation on each of the outcomes and outputs selected at 14 and 15 for your project including the basis on which these have been estimated.</p>
<b>Section 4 Monitoring and Reporting</b>	
16	<p><b>Project Monitoring</b></p> <p>Please provide detail on what information you will collect and how you will monitor the project in terms of the outcomes it will deliver.</p> <p>If you are a Lead Partner please include information on how you will be supporting organisation delivering the project.</p> <p>State how you will measure the success of the project not just in the terms of the physical infrastructure/changes it will create but also its longer term impact on the local community and wider regional area.</p> <p>We will require regular monitoring reports for the project to ensure progress towards your desired outcomes and outputs. This section should be used to detail what information you will be collecting to measure these and how this will allow you to determine whether the aims, outputs and outcomes of the project are being achieved. We will require regular reports until a practical completion certificate for the physical work on the project are complete and thereafter an evaluation report on what the project has achieved 12 months after of those</p>

	<p>physical works are complete.</p> <p>This section should be used to identify any information, tools and techniques you will be using to determine whether the project met or will meet its aims, outputs and outcomes.</p>
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### Section 5: Financial Breakdown

Question	Notes
	<p><b>Please note the focus is on projects that can start and deliver significant expenditure during 2021/22, projects starting after December 21 will be subject to additional scrutiny by the panel.</b></p>
17a	<p><b>Finance Summary</b></p> <p>Please enter the overall costs and funding relating to the project broken down by the relevant financial year. Total Expenditure should be shown to be being met by RCGF and other funding sources. Figures here should be used as the basis for breakdowns provide in tables 17b and 17c. Space is provided or any clarification which you think would be helpful.</p> <p>Please use the comments box to provide a breakdown of costs and describe the nature of costs or funding.</p>
17b	<p><b>Expenditure funded by RCGF Grant.</b></p> <p>You may use your own budget headings in the table and outline the total costs for the project for each item. Only include those costs which are being directly funded by RCGF grant. i.e. <b>total cost in this section should equal the grant requested.</b></p> <p>Anticipated expenditure headings would include, Purchase of land or Asset, Pre contract works such as site investigation and servicing etc. Planning and Professional Fees ( capitalised), Main Contract works, Fit out costs.</p> <p>Project Management costs relating to the grantee or partners costs in relation to managing and monitoring of the RCGF project are not eligible.</p> <p>Please do not include separate budget headings for Inflation and Contingency. These should be allowed for in the overall estimated costs of the project.</p>
17c	<p><b>Expenditure funded by Other Sources.</b></p> <p>This could be :</p> <ul style="list-style-type: none"> <li>• a proportion of the eligible cost detailed in 17a that will be supported by co-funding</li> <li>• Ineligible costs relating to the activity or expenditure in the project</li> </ul> <p>Please do not include costs relating to wider regeneration activity. Only costs associated with the specific development described in the application should be detailed.</p>

	Please note that we will only pay for VAT that is non-recoverable. VAT if eligible should be included in each of the relevant project cost headings in question 17 and <b>not</b> as a separate expenditure heading.
	<b>Funding breakdown</b>
18	<p>Provide details of all the funding that has been secured or is being sought to support the costs for the project. The total here should reflect the expenditure stated in 17a.</p> <p>Please note that while we expect projects to deliver best value for money for the public purse, and the leveraging of support from other sources is welcomed, the panel's recommendations are not made solely on which projects offer the best intervention rates. Consideration is taken of how opportunities to engage with multiple organisations and secure funding differ greatly across Scotland.</p>
19	<p>Provide details of any in-kind contributions that support direct delivery of the project and how the value of these has been calculated.</p> <p>Please note that we do not consider the work undertaken to develop the project or prepare this application to be an in-kind contribution.</p>

## **Section 6: Legal Requirements and Terms and Conditions**

**Please read all of sections carefully. Please ensure you complete section 6.7 on planning and complete the authorisation**

6.7 Requires that you indicate detail on the planning process and that all requirements are or can be met to deliver the project within the timescale. If appropriate, please describe the ownership of the property/land and any issues relating to purchase if this is required.

6.8 State aid and the UK's exit from the European Union

On 31 December 2020 the EU/UK Transitional Period will end, meaning that from 1 January 2021, in the UK existing EU rules on State aid will no longer be followed. It is presently unclear what any future subsidy control regime will look like.

All applicants will be required to adhere to any new scheme when it comes into operation and must be aware this may require some reassessment of the application to ensure that any grant contribution that is provided is compliant with the terms of that scheme. A link to the Scottish Governments website where the latest information should be available is provided below.

<https://www.gov.scot/publications/state-aid-guidance/>

## **Section 7: Acknowledgement and agreement on terms and conditions**

Please ensure that the individual signing off the application has the authority to commit the organisation to the delivery of the project and to meet the terms and conditions which apply to the application for Regeneration Capital Grant Funding. The authorised signatory need not be the project contact.

## All Regeneration Strategy Supporting Outcomes

### Physically Sustainable Communities

- People have access to quality public space and appropriate greenspace
- Well planned neighbourhoods and local areas, with accessible facilities and amenities
- Communities have a positive appearance and are places where people want to live, work and invest
- Quality design and upkeep of buildings and spaces
- Address vacant and derelict land and property and preserve heritage/built environment for productive use
- Use resources efficiently and respect the natural environment

### Economically Sustainable Communities

- Strong local economies, providing access to jobs and support for business
- A well trained workforce whose skills meet economic needs
- People have access to the learning and development opportunities that they need and the right support is in place to help people to work
- A thriving private sector and social enterprise
- Effective strategies in place to link economic opportunity and demand
- The right affordable housing options with sufficient availability and quality of housing across all tenures
- Places encourage positive and appropriate private sector investment and social enterprise which provides opportunities for business and jobs
- Infrastructure fosters the right conditions for growth and community cohesion, including good transport and digital connectivity
- Thriving towns and high streets
- Sustainable employment and reducing welfare dependency

### Socially Sustainable Communities

- Communities and people are protected and feel safe
- Delivery is focussed on the needs of people
- Communities are involved in designing and delivering the services that affect them
- Strong and effective community networks are in place
- People have access to appropriate community facilities and places to meet
- Communities have a positive identity and future aspirations
- People are empowered to improve their area and maximise local assets
- People have good physical and mental health
- People have access to effective local services and facilities, including health, education and early years support
- Towns and high streets act as a focal point for social and economic interactions
- Communities are fair and inclusive, where all have a voice and can participate
- Sustainable employment to tackle worklessness