**Rural Communities Testing Change Fund 2021/22 (RCTC)**

**Criteria and Application Guidance**

**Background**

With the closure of the LEADER programme, £3m funding was confirmed in the Scottish Budget 2021 to test new ways to support and deliver on community-led local development (CLLD) in Scotland.

The funding is available for the current 2021/22 financial year and is not a new fund in itself; it must be used to pilot new approaches to CLLD and the lessons learnt will inform any future funding.

It is proposed that the funding will be delivered in two tranches. As part of the first tranche of funding, there are two funding streams being made available to Local Action Groups (LAGs). This will allow LAGs to build on the positive legacy of LEADER while using their experience to properly innovate and test change. In areas where the Local Action Group no longer have delivery staff in place, we will work with Accountable Bodies to ensure that every area has access to this funding.

This document outlines the criteria and guidance for the first tranche of funding. We are currently exploring options for delivering the second tranche of funding – which will focus on smaller, micro-grants - and will update relevant stakeholders in due course.

**Criteria and Eligibility**

The first tranche of the RCTC fund has been ringfenced for use by Local Action Groups supported by LAG/SLSG staff retained for this purpose. All bids should be agreed by the LAG working with others including the Accountable Body.

Key to the funding is the requirement to properly ‘test change’: to plan and carry out new and innovative approaches and observe and measure the results to inform any future CLLD funding. In testing change, the lessons learnt from failure can be as valid as success.

These tests of change have to look at how to better align community based activity to meet community priorities – and to ensure these really are whole community priorities that recognise and respond to particular and distinct local opportunities and challenges.

Projects ***must*** demonstrate that they advance **inclusion, equality and diversity.**

Projects delivered must also support at least one overarching Scottish Government priority from the list below;

* Young Person’s Guarantee, Green Skills & Fair Work
* [Rural Movement](https://www.sra.scot/our-work/our-work) & Scottish Rural Parliament outcomes
* Covid recovery
* [Community wealth building](https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwjEvqeSiL3xAhXGNcAKHe0aD1sQFjACegQIAxAD&url=https%3A%2F%2Fwww.gov.scot%2Fpolicies%2Fcities-regions%2Fcommunity-wealth-building%2F&usg=AOvVaw312ZMyUxp9_4dCXJdfgo2t)
* Local democracy and governance, community empowerment
* Wellbeing Economy
* Inclusive growth (includes Community-Led Tourism)
* Net Zero & Climate Emergency
* The [National Islands Plan](https://www.gov.scot/publications/national-plan-scotlands-islands/) and Island Communities Impact Assessments
* National Planning Framework

Projects must be completed by the end of the current financial year – by the end of March 2022.

The funding cannot be used to subsidise existing projects which require additional funding.

Projects must agree to the publication of delivery details to provide opportunities to communicate benefits and share learning, such as case studies or site visits.

The tests of change could include:

* new approaches as a result of learning from the [evaluation of LEADER](https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwit27Wz7rzxAhXUSBUIHbAIBUsQFjABegQIBxAD&url=https%3A%2F%2Fpure.sruc.ac.uk%2Fws%2Ffiles%2F26833062%2FLEADER_Summary_Report_02.20.pdf&usg=AOvVaw1PO089GwPSwyVHNyYwbzM5), eg;
  + Projects that support community-led tourism and infrastructure
  + Projects that take an innovative approach to community land ownership or community asset ownership/mapping

Co-operation and learning exchange projects

* changes needed to address a new post EU funding landscape, taking on board the feedback from LEADER on the UK Shared Prosperity Fund;
* new approaches to supporting capacity building in local communities to engage on wider, national policy issues; and
* new approaches to bring more diverse, ‘lesser heard’ voices into community decision-making (including young people).

The examples above must address a need which is not currently met by other existing funds, for example the Rural Tourism Infrastructure Fund etc. The funding will not support projects of the type that are tried and tested through previous LEADER funding, unless it can be demonstrated that there is further innovation in the approach being put forward.

**Stream 1 – Local Action Group Innovation Fund**

A fund of £1million to be allocated equally across participating LAGs, to help the LAGs build local capacity and trial new ways of working. Where LAGs cannot make full use of their allocated budget, we will reallocate the funding as priorities emerge.

The funding can be utilised by LAGs to take forward projects which meet the core criteria:

1. Projects must properly test change, linking specifically to evaluation and assessment of ‘what worked’ in previous LEADER funding and building on, or developing new approaches as a result;
2. Projects must support Scottish Government priorities, particularly those set out with respect to existing community led local development work and net-zero/climate change ambitions;
3. Projects must demonstrate that they advance greater inclusion, equality and diversity in community led local development, particularly with respect to the range of ‘voices’ informing community development and local capacity-building
4. Projects must be delivered by end March 2022.

The call for bids for this fund will open on **Monday 5th July.**

Please complete the attached Outline Proposal template and send to [info@ruralnetwork.scot](mailto:info@ruralnetwork.scot) by **Friday 23rd July** stating that you can meet the 4 core criteria highlighted above. This will give an opportunity for the SRN and Rural Communities Team to consult with SLSG staff on proposals ahead of the deadline for submissions (including requests for more information etc.) on **Friday 13th August**.

Grant payments will be subject to a monitoring and evaluation process to measure progress against objectives and outcomes. Successful applicants will need to provide an update report at agreed intervals after a grant payment is made. A template will be provided for this alongside the grant documentation in due course.

Any concerns or questions regarding this funding should be made known to Elaine McGregor ([Elaine.mcgregor@gov.scot](mailto:Elaine.mcgregor@gov.scot)) and Alan Robertson ([alan@ruralnetwork.scot](mailto:alan@ruralnetwork.scot)). We want to ensure that all areas have an opportunity to participate and are keen to work with you to address any issues.

**Stream 2 – Local Action Group Challenge Fund**

Additional funding of £400,000 has also been made available as part of the first tranche of the Rural Communities Testing Change Fund for allocation via a bidding and assessment process.

Bids of up to £75k are welcomed. Applicants are encouraged to only apply for what they need as this will allow the fund to support as many different groups as possible.

Bids will be welcomed from LAGs in conjunction with other delivery partners.

Applications open on **5th July and close on 13th August 2021.**

Applications should be made via the SRN website: [Rural Communities Testing Change: LAG Challenge Fund | Scottish Rural Network](https://www.ruralnetwork.scot/funding-and-advice/rural-communities-testing-change-lag-challenge-fund)

An inclusive assessment board made up of both independent experts and SG staff will review bids and applicants will be advised of the outcome no later than **3rd September.**

Grant payments will be subject to a monitoring and evaluation process to measure progress against objectives and outcomes. Successful applicants will need to provide an update report at agreed intervals after a grant payment is made. A template will be provided for this along with the appropriate grant documentation in due course.

Other funding streams can be utilised in addition to support project delivery e.g. crowd funding, windfarm grants. If you wish to use match-funding, a description of any additional funding sources that have been secured or applied for and what they will be used for and how they will provide additional value must be provided.

**Grants assessment**

In addition to the four core criteria highlighted above, the strength of applications will be assessed on:

* approach and methodology - sufficient detail must be provided to allow the assessors to understand what work is proposed;
* evidence of innovation – what change is being tested and how will this be monitored and evaluated;
* evidence that demonstrates demand and/or how a project is supported by the local community;
* applicants commitment to overarching Scottish Government priorities;
* applicants demonstration of partnership working with other delivery partners or in co-operation with other LAGs, where relevant.

Scores are to be awarded against the response given by the LAG with the evaluation criteria detailed in the table below. Individual weighting of each score criteria is pending approval from the RCTC assessment panel.

|  |  |  |
| --- | --- | --- |
| Score criteria | Evaluation criteria | Weighting |
| Briefly describe the overall bid | Sufficient detail must be provided to allow the assessors to understand what work is proposed. How will the projects be delivered and in what timescale? |  |
| Evidence of innovation | What change is being tested and how will this be measured and evaluated? Any assessment must be appropriate to the specific project proposed. |  |
| Evidence of demand/community support | What evidence do you have to demonstrate that the proposal meets particular and distinct local opportunities and challenges? And what evidence is there of community support for the proposal? Have you undertaken any engagement or evaluation of your proposal? |  |
| Advance inclusion, equality and diversity | How will the work support the advancing of inclusion, equality and diversity? How will this be measured? Outline clearly articulated benefits and defined beneficiaries. |  |
| Supporting SG priorities | Outline how the activity will support at least one of the SG priorities listed above with clearly articulated benefits and defined beneficiaries. |  |
| Partnership working | Who will be involved in delivering the project? And how will working in partnership benefit the project and the community? |  |
| Financial information | What level of funding is being sought? How have costs been identified and assessed? If you wish to use match-funding, a description of any additional funding sources that have been secured or applied for and what they will be used for and how they will provide additional value must be provided. |  |

The marks available are as follows:

|  |  |
| --- | --- |
| **Scoring range = 0 - 5** | **Criteria** |
| 0 = no answer/non relevant response | No answer/non relevant response – does not meet minimum requirements. The evaluator must record why the proposal is unacceptable. This will be used in providing feedback. |
| 1 = poor answer that does not meet minimum requirements | Poor answer – does not meet minimum requirements. The evaluator must record the reason that the proposal failed to achieve an acceptable score. This will be used for providing feedback or seeking clarification of the bid. |
| 2 = partially relevant | Only partially meets the minimum requirements. Reasons for how this mark was achieved must be recorded. |
| 3 = acceptable answer/completely relevant | Acceptable – fully meets but does not exceed minimum requirements. Reasons for how this mark was achieved must be recorded. |
| 4 = acceptable answer/completely relevant and good | Better than acceptable, just goes beyond minimum requirements. Reasons for how this mark was achieved must be recorded. |
| 5 = exceptional answer/completely relevant | Demonstrably far exceeds requirements. This mark should be awarded where the proposal far exceeds what is deemed acceptable or is set out in the bid criteria, thus bringing an added value. Reasons for awarding an exceptional mark must be recorded. |