

SEMLEP Local Growth Fund 2019 Prioritisation Framework

Criteria	Score Type	Score				
		1	2	3	4	5
Strategic Alignment						
Contribution to the Local Industrial Strategy	Impact	No alignment with the LIS	Limited alignment with the LIS at a general level.	Good contribution to specific elements of the LIS	Strong contribution to the LIS	Substantial / transformational contribution to the LIS
	Evidence	No evidence provided	Analysis / evidence provides partial support for claims made	Adequate analysis / evidence provided supporting claims	Robust analysis / evidence provided supporting claims	Compelling analysis / evidence provided supporting claims
Equality and Diversity Evidence that the applicant has considered any equality of diversity issues relating to the project	Evidence	Project has a negative impact on equality and diversity in the SEMLEP region.	Insufficient evidence provided to understand potential implications on equality and diversity issues in the SEMLEP region.	Impact on equality and diversity issues is considered to be neutral and the project will align to relevant SEMLEP policies.	Project makes an active contribution to tackling equality and diversity issues through the delivery of the project. Risks are generally mitigated.	Tackling equality and diversity issues within the region is a core component of the project and integrated into all aspects of project delivery. All risks are mitigated.
Assessment of Need / Demand						
Evidence of Need / Demand Evidence of which groups require the investment and scale of potential take up	Impact	No need for intervention / adequate alternative provision is available	Limited need for intervention	Need for intervention justified – but limited potential take-up	Need for intervention – good potential level of take-up	Need for intervention – substantial potential take-up
	Evidence	No evidence provided	Limited evidence of need	Evidence of future need provided, based on trend analysis	Evidence of future need provided, based on forecast analysis and/or basic market testing	Evidence of existing need provided supported by robust evidence (e.g. independent market assessment report / in-depth analysis of potential clients)

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Evidence of Market Failure Demonstrate why the project cannot proceed without public sector funding. <i>Refer to the SEMLEP overview of Market Failures</i>	Evidence	No information provided	Rationale to intervene outlined at a high level and/or no supporting evidence provided	Good rationale to intervene provided and/or limited supporting evidence provided.	Very good rationale for intervention provided and outline supporting evidence provided.	Substantial rationale for public sector intervention and evidence of the scale and nature outlined.
Options Assessment Demonstrate that alternative options have been considered and the proposed option is the most appropriate use of public funding.	Evidence	No options assessment provided.	High level options outlined, but no evidence of why the proposed option has been identified.	Reasonable consideration of project options and logical rationale for selection of preferred option is provided.	Detailed overview of project options and selection of preferred option based on Critical Success Factors or similar framework.	Quantified / monetised options appraisal provided, demonstrating the choice of preferred option.
Direct Economic Impacts Quantified direct impacts specified in the pro-forma <i>Assessment of 'reasonable', 'strong' and 'substantial' will be relative to other bids received.</i>	Impact	No impacts identified	Limited direct impacts and/or identified impacts do not align with SEMLEP priorities.	Identified impacts are reasonable and/or have potential for low levels of scheme additionality.	Strong level of impacts expected to be generated with medium-good levels of additionality.	Substantial direct impacts will be generated by the proposals. Net impacts will have a measurable impact on the SEMLEP region.
	Evidence	No evidence provided	Evidence provided is not Green Book compliant	Green Book compliant assessment, including consideration of net impacts, drawing on unverified assumptions. Calculations can be followed and replicated by the appraiser.	Green Book compliant assessment of net benefits, based on verified / established benchmarks and assumptions. Calculations can be followed and replicated by the appraiser.	Independent assessment of Green Book compliant assessment of net benefits, based on verified/established benchmarks and assumptions. Calculations can be followed and replicated by the appraiser.
Sustainable Development Impacts	Impact	No wider impacts identified	Limited wider benefits identified and minimal alignment to LEP priorities.	Reasonable wider benefits identified and good alignment to LEP priorities	Strong wider benefits identified and strong alignment to LEP priorities	Substantial wider benefits identified with strong alignment to LEP priorities

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Wider economic impacts Additional wider benefits associated with the investment <i>Assessment of 'reasonable', 'strong' and 'substantial' will be relative to other bids received.</i>	Evidence	No evidence provided	Impacts described in broad terms only.	Impacts identified in broad terms with some evidence of the intervention logic.	Specific impacts identified with some indication of the potential scale of contribution made by this project. Case supported by a qualitative description of the intervention logic.	Quantified wider impacts identified with robust supporting evidence and intervention logic (inc. verified / established benchmarks and assumptions).
Social impacts Additional wider benefits associated with the investment <i>Assessment of 'reasonable', 'strong' and 'substantial' will be relative to other bids received.</i>	Impact	The scheme is expected to have a negative social impact in the SEMLEP region.	The scheme is expected to have a negative social impact with some mitigation.	The scheme is expected to have a marginally net negative social impact following mitigation.	The scheme is expected to have a negative social impact, but this is fully mitigated. <u>OR</u> The scheme has no social impacts	The scheme is expected to deliver net positive social impacts.
	Evidence	No evidence provided	Impacts described in broad terms only.	Impacts identified in broad terms with some evidence of the intervention logic.	Specific impacts identified with some indication of the potential scale of contribution made by this project. Case supported by a qualitative description of the intervention logic.	Quantified wider impacts identified with robust supporting evidence and intervention logic (inc. verified / established benchmarks and assumptions).
Environment Impacts	Impact	The scheme is expected to have a negative impact on the natural environment with no mitigation.	The scheme is expected to have a negative impact on the natural environment with some mitigation.	The scheme is expected to have a marginally net negative impact on the natural environment following mitigation.	The scheme is expected to have a negative impact on the natural environment, but this is fully mitigated. <u>OR</u> The scheme has no impact on the natural environment	The scheme is expected to make a net positive contribution to the natural environment.

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	Evidence	No evidence provided	Impacts described in broad terms only.	Impacts identified in broad terms with some supporting evidence.	Specific impacts identified with some indication of the potential scale of contribution made by this project. Case supported by a qualitative description of the intervention logic.	Quantified wider impacts identified with robust supporting evidence and intervention logic (inc. verified / established benchmarks and assumptions).
Value for Money: Value of LGF Requested	Evidence	No rationale for level of LGF requested.	Rationale for level of LGF requested, but other funding sources are available.	Clear rationale for level of LGF funding, but availability of alternative sources has not been sufficiently explored.	Clear rationale for level of LGF funding and evidence that alternative funding sources have been explored and are unsuited to this investment.	Rationale for level of LGF requested is clear and no alternative funding is available.
Value for Money: BCR Ratio of benefits to public investment	Impact	No VfM / BCR provided / Very poor BCR	Poor but marginal VfM (BCR between 0.8 and 1)	Acceptable VfM (BCR above 1)	Good VfM (BCR above 2)	Very good VfM (BCR above 4).
Impact assessment is based on BCR reported by applicant. Evidence assessment will consider the appropriateness of the assumptions used. BCR to be considered for (i) SEMLEP / LGF contribution and (ii) total public cost.	Evidence	No evidence provided	BCR provided with limited supporting evidence / calculations cannot be replicated and/or concerns over assumptions used to inform the assessment.	BCR provided with supporting evidence / possible to replicate VfM. There may be some concerns over the approach adopted / assumptions used, but these to not have a significant impact on the VfM assessment.	BCR provided with supporting evidence and calculations that can be replicated and are considered to be reasonable. High level optimism bias and sensitivity testing provided.	BCR provided with supporting evidence and calculations that can be replicated and are considered to be reasonable. Assessment considers in detail optimism bias and appropriate sensitivity tests (in line with Green Book guidance).
Private Sector Leverage Ratio of private to public investment	Impact	No private sector leverage identified	Modest private sector leverage identified (less than 10% of project cost)	Less than 25% private sector funding.	Less than 50% private sector funding.	Majority private sector funding (more than 50%).

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Assessment of Deliverability						
Project Funding Details of match funding	Evidence	Match funders not identified / funding gap greater than 20% of total project cost identified. Funding for revenue related activity is requested.	Match funders identified, but less than 80% of the funding package will be secured on LGF approval	100% of funding sources are identified. On approval of LGF 80% of funding is expected to be in place and process for securing additional funding, in line with the project timetable, have been identified.	All required sources of funding are identified and are expected to be secured at time project approval would be granted.	All required sources of funding are identified and secured at time of the assessment.
Project Costs Detailed project costs	Evidence	No cost information provided.	High level cost information provided. There is no clear timeline for detailed costs.	Detailed cost information provided, basis of cost estimates are unclear. Verified costs assumptions are expected in time for the due-diligence assessments / final project approval.	Detailed cost information provided with supporting evidence / assumptions.	Application is supported by independently verified cost assessment. Cost assumptions are clearly laid out.
Risk Assessment and Mitigation Consideration of project delivery risks, given delivery timescales including: - Funding availability - Planning consents - Design and feasibility assessments - Additional risks	Impact	No risks considered / identified	High level of risk that project will fail to deliver as outlined in its application. Limited mitigation in place.	Moderate level of risk to project delivery identified effective risk mitigation processes in place.	Based on the information provided, proposed risk mitigation activities and the proposed delivery timescales, the risks to delivery appear minimal and risk mitigations are confirmed in time for the due-diligence assessment / final project approval.	No substantive barriers to delivery identified given the information provided, the proposed risk mitigation activities and proposed delivery timescales.

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Project Management Inclusion of a project management plan	Evidence	No project management structures identified	Limited information on management structures provided	Adequate information on management structure provided using untested approach. Detailed information expected in time for the Due-Diligence Assessments / final project approval.	Detailed information on management structures provided. Some activity will be new to the lead organisation, but strong capacity to deliver, within the project team.	Detailed information on management structure provided using established structures and processes that have demonstrated effective delivery of projects of this scope and scale.
Project Timescales The nature and scale of proposed activity in light of LGF timescales.	Evidence	No timescales identified and/or LGF project element not deliverable by March 2021.	Some timetable information provided but concerns over deliverability	Detailed delivery timetable provided. Potential risks around deliverability (i.e. key milestones are close to March 2021 and/or potential for slippage), but mitigations are expected to be confirmed in time for due-diligence assessments / final project approval.	Detailed delivery timetable provided. Timescales appear realistic and project can be delivered within LGF timescales. Some delivery risks have been identified but appropriate mitigation strategies are in place.	Detailed delivery timetable provided. Timescales appear realistic and there are no apparent challenges to delivery within LGF timescales

Consideration of State Aid:

Green: State aid position is based on independent and/or qualified legal advice which makes use of (i) state aid tests (ii) a standard Grant Block Exemption and eligibility and demonstrates how this is applicable to the project AND (ii) advice is consistent with advice previously provided to SEMLEP. For any non-standard advice, SEMLEP's legal advisers have confirmed compliance with State aid.

Amber: Applicant sets out the exemption that they expect to apply which is consistent with advice previously provided to SEMLEP and provides a timescale for seeking independent advice which aligns with the assessment timescales OR independent advice does not align with advice previously provided and further legal review is required by SEMLEP's legal advisers.

Red: No legal advice has been provided OR SEMLEP's legal advisers express concern over the advice received.