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**Northern Community Rail Seed Corn Fund**

**Application Process**

**Contents**

Fund outline

Application Form (Annex A)

Post Project Evaluation Form (Annex B)

**Introduction**

As part of its successful bid for the Northern Franchise, Arriva Rail North (Northern) has committed £150,000 to a ‘Seed corn Fund’ in the first year of the franchise. This sum may change in future years based on guidance from the Community Rail Executive Group (ComREG) and the successful take up of the fund, but it is currently planned that the fund will exist for the duration of the franchise. Unspent money in previous years will roll over, up to the end of the franchise.

The Fund is provided to kick-start projects. It is not generally envisaged that the Fund will pay the full cost of a finished project but that it will enable the initial scoping and development work to be done that can unlock other funding sources. It will facilitate development of business cases and enable design such that costs can be identified with moderate confidence. It can be used as match funding but this is not a requirement.

The fund is very much about innovation: it cannot be used for projects which Northern has committed to in its franchise and at this stage we really cannot predict what it might be used for: that is up to our community partners to define.

There will be no requirement to repay funds if a project does not proceed: if it enables a clear understanding of the costs, benefits and risks of a project to be identified such that it is shown that there is no robust business case, that in itself would be a successful outcome as it would avoid further wasted resources. That said, it is not envisaged that funding would be granted if the project was not viewed as having a reasonable likelihood of success and that it had benefits to passengers, stakeholders or local communities.

The Fund must be properly accounted for. However, it is recognised that the sums involved may be relatively modest and partnerships have limited administrative resources so the aim is to keep the administrative effort involved in applying for and then accounting for the funds claimed to a minimum.

There is no upper limit on the size of applications except that no one project should take more than 20% of that year’s total allocated funding (i.e. in 2016-2017, £30,000).

For larger projects whilst there will be no absolute requirement for match funding, preference will be given to projects that have a match element. It is also expected that larger bids would have clear passenger benefits that have a reasonable probability of translating to increased passenger numbers.

The Fund is available to all CRPs and Station Adoption groups: there is no requirement for Line or Service Designation.

The application and monitoring requirements for the Fund should be familiar to CRPs: they are based on the process adopted for DCRDF for consistency.

**Planning for Success**

No application may be made to the Seed corn Fund unless that claim is clearly in support of the aims set out in the Route or Station Plan for that financial year.

There will be no grant given for producing a designated route plan or any other plan or document in support of the application to the Seed corn Fund.

No grant will be approved until any/all earlier Northern Community Rail Seed corn Fund post project assessment forms (Annex B) have been submitted and approved, except by specific agreement.

Route Plans and Station Plans themselves may include reference to the Seed corn Fund, but the success of those plans should not rest completely on the assumption that an application will be approved.

All grants under the Fund will be subject to satisfactory progress or close-out of previous projects supported by the Fund. “Satisfactory progress” will be determined by reference to a dated project plan with a level of detail appropriate to the project.

**What can the grant cover?**

There is considerable flexibility over what can be paid for by this fund - but five tests will be applied:

1. Does the project further the aims of the Community Rail Development Strategy? (i.e. increase revenue, reduce costs, increase community involvement or facilitate regeneration)
2. Is the project in line with the Route Plans, Station Plans or any other previously agreed plan?
3. Does the project consistently display benefits to passengers, stakeholders and/or local communities?
4. Will those benefits in all likelihood lead to increased economically and environmentally sustainable rail use?
5. Is there any element of match funding?

Not all tests will need to be met in all cases: judgement will be used based on the level of grant. There is an expectation that more of the tests would need to be met for more substantial grants.

**What will not be covered by a grant?**

The fund will not cover costs which are the contractual responsibility of Northern nor the cost of officer time unless the hours worked are additional to those which the officer would normally work.

**Who can apply?**

Applications should be made by CRPs or Station Adoption Groups within the Northern franchise area. Funding which would apply beyond the franchise area will only be considered in exceptional circumstances. This could occur, for example, if the proposal was on a route that extended beyond the franchise area.

**Network Rail consent**

If the proposal is for the area of the railway which forms part of our “TOC leased area” (generally the station and its immediate surroundings), any proposal will be subject to approval from Northern and possible the “landlord consent process”; put simply we may have to seek approvals elsewhere.

If the area being considered is outside the TOC lease area Northern and Network Rail must be consulted before any commitment is made or work started. For further information, please contact your Route Communities and Sustainability Manager (RCSM).

**How can the CRP apply?**

All formal applications must be made on the Application Form (Annex A).

**How much can be applied for and what are the match funding requirement?**

There is no limit to the number of applications which can be made.

If the fund is to provide the biggest possible impact, we would encourage an element of match funding for all funding bids. However, it is recognised that finding match funding can be time consuming and for small grants may not be best use of time.

Volunteer time can be charged out at £15/hour.

Volunteer time cannot include any officer time for the calculation.

In the case of multiple applications on a route, we reserve the right to request a level of match funding.

**How will applications be judged?**

Assuming that the application is eligible, the application will be judged against:

***Kick-starter***- we are looking to projects that require an initial level of funding to get them going, to develop the business case and identify possible sources of delivery funding.

***Deliverability***- we will look for evidence that the proposal can be delivered and in a timely manner.

***Planning*** - we will expect an outline, dated project plan supported by an outline budget. If projects are looking for interim funding the plan and budget must identify what deliverables should trigger release of part payment.

***Scope*** - we will review carefully the scope of the project. Interdependencies with other projects have the potential to delay projects and we will want to understand how such risks would be managed. We will need to be assured there is no risk of scope change through the project.

***Scale of benefits*** - we will not be carrying out a formal economic appraisal, but will assess whether the outputs look strong or weak in relation to the grant from the Seedcorn Fund. This will tend to benefit match funded applications - note that more significant match funding will tend to improve the possibility of funding. We will expect projects to lay out their success criteria and show how these may be measured.

***Innovation*** - we will give preference to projects which represent a new initiative for your CRP and which may provide lessons for other CRPs.

**Best Practice**

 We will share details of projects between CRPs and potentially with a wider audience. If there are potential issues around intellectual property rights (IPR), the project should be discussed with the Communities and Sustainability Director before an application is made.

As far as possible we will attempt to balance the award of grants across the regions to achieve “regional equity”. However, poor quality applications will be rejected even if that means an uneven spread, and some regions are likely to receive more grants simply due to the fact that they may have more applications compared to another.

All projects delivered with the aid of funding from the Seedcorn Fund must make clear in all associated publicity material that the project has been funded or part funded by Northern.

**Decision process**

This process, including the decision limits, has been agreed with ComREG and with the Northern Executive.

The Project Manager working with the Communities and Sustainability Director will review all applications. Any which are unclear, which do not meet these criteria (or any criteria determined subsequently by ComREG) or which are of insufficient quality (e.g. lacking a coherent argument to support the expenditure) will be discussed with the group submitting the application. The aim will be a successful application with rejection only as a last resort or where there is insufficient funding available in the current year.

* The Project Manager will decide on applications for up to **£500**.
* The Communities and Sustainability Director will decide on applications up to **£5,000**.
* Any applications for in excess of **£5,000** will be passed to ComREG for decision. Decision by ComREG in correspondence will ONLY be considered in really exceptional cases, so applicants must make sure that applications for in excess of £5,000 are made at least two weeks before any ComREG date to allow for processing and circulation. Late applications will not be considered.

These sums are net of any match funding. ComREG’s decision is final but if it is a rejection we would expect to explain why to the applicant.

**Payments and follow-up**

Funds will be released as follows:

Up to £5,000 Grant can be forwarded following approval and on receipt of an invoice, if requested

£5,001 and above A payment schedule should be identified as part of the project plan. Payment will be made against an invoice supported by evidence that the stage of the project plan has been reached and any agreed deliverables can be demonstrated.

Final payment will be made in arrears, after ComREG has reviewed the Annex B for the project.

The Post Project Evaluation Form (Annex B) must provide evidence that the funds have been spent as per the application form. Receipts and appropriate records must be kept for six years for audit purposes.

Failure to demonstrate that the monies have been spent as per the application may lead to a requirement to re-pay funding and in extreme cases may lead to legal action. Should there be genuine difficulties in carrying through the proposal as made, this should be reported immediately and arrangements will be made to ensure that funding is either returned or used appropriately in the circumstances.

Communities and Sustainability Director, Northern

May 2016

Version 1.4

**Annex A**

**Northern Community Rail Seedcorn Fund**

**Application Form**

**Basic Details**

1 Name of Project/Proposal

2 Which route(s) / station(s) does it relate to?

**About You?**

3 Name of CRP / Station Adoption Group

4 Address of CRP / Station Adoption Group

 Postcode

5 Name of contact in CRP / Station Adoption Group

 E-mail Tel

**The Proposal**

6 What are you trying to achieve?

7 What are you proposing to use the money for

8 How does this fit with your Route Plan/ Station Plan?

Application form Page 1 of 3

9 What are the success criteria? Of the final project?

*Please continue on an additional sheet if necessary*

10 When do you intend to implement the project/proposal?

 Attach a dated indicative work programme. Any significant change in the programme (for example, slippage of more than a month) must be notified to Northern

11 How do you propose to publicise that the project/proposal was delivered through funding from Northern and any other funders involved?

12 For projects involving infrastructure, shelters, CiS etc have you consulted with

 Network Rail locally? Yes/No And with whom?

**Finance**

12 What is the total cost of this project proposal? Attach an indicative project budget

13 How much are you asking for from the Seedcorn Fund?

14 What match funding is being provided?

15 Who is providing that match funding?

**Other information** (optional)

*Please continue on an additional sheet if necessary*

Application form Page 2 of 3

**Your commitment to the scheme**

We confirm that we have read and understand the *Northern Community Rail Seedcorn Fund* process documentand thatto the best of our knowledge this application is in line with their requirements.

We confirm that, if the application is successful, we will keep appropriate records of expenditure and other financial aspects of this application and make them available to the Northern and ComREG as required. We will retain these records for six years after the grant has been awarded.

We will comply with any additional conditions stipulated in the grant offer letter.

We also confirm that we will complete and submit a Post Project Evaluation Form (Annex B) and attach a final budget for the project.

We acknowledge that failure to comply with these conditions may lead to a requirement to return any grant.

Signed Signed

Position Position

On behalf of On behalf of

Date Date

Note all applications need to be signed off by the Partnership Chair (or deputy) and the Partnership Officer (or deputy) or the leader of the Station Adoption Group.

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**What next?**

Please send a copy of the completed form including scanned or e signature to carolyn.watson@northernrailway.co.uk

Electronic versions of the form and any attachments or supporting information are our preferred method of receipt but if you prefer you can send the completed application to:

***Northern Seedcorn Fund Administration***

***Communities and Sustainability Director***

***6th Floor, Northern House***

***9 Rougier Street***

***YORK***

***YO1 6HZ***

We will endeavour to give you an answer within 4 weeks of your application being received.

Many thanks for your interest

Application form Page 3 of 3

**Annex B**

**Northern Community Rail Seed corn Fund**

**Post Project Evaluation Form**

**Basic Details**

1 Name of Project/Proposal

2 Which route(s) / station(s) does it relate to?

3 Name of CRP

4 What were you trying to achieve and how did you achieve it?

5 What were the original success criteria?

1)

2)

3)

*Please continue on an additional sheet if necessary*

6 What were the outcomes?

1)

2)

3)

*Please continue on an additional sheet if necessary*

7 Did the project run to the timescales envisaged?

Evaluation form Page 1 of 2

8 Did the costs turn out as expected - if not why not? Please supply a final budget.

9 If there was match funding, did these arrangements work as envisaged and were the funders pleased with the result?

10 What do you think was good about this project?

11 What lessons can be learnt from this project? Is there anything specific that we should pass on to other CRP’s?

12 How did you promote/publicise that funding for this project had been made available by ACoRP, DfT and Network Rail? Please attached appropriate photographs of the completed project.

Name

On behalf of

E-mail Tel

Signed Date

Evaluation form Page 2 of 2