

Create Growth Programme FY 22/23-24/25: Guidance for Applicants

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Applicants should read all sections of this document carefully before applying for funding. Please use the Expression of Interest (EOI) Form provided to submit your EOI.



1. Summary

The Creative Industries are one of the fastest growing sectors of the UK economy, providing significant local employment opportunities and economic benefits. The Department for Digital, Culture, Media and Sport (DCMS) is inviting local area partnerships in England (except London) to submit Expressions of Interest (EOIs) to participate in the Create Growth Programme (CGP) from FY22/23 to FY24/25 (three years). Each successful local area partnership will be awarded approximately £1.275 million in grant funding for business support. Creative businesses in participating local area partnerships will also have the opportunity to benefit from up to a £7 million fund for finance support, as well as investor networking activities.

The CGP is an expansion of the Creative Scale Up pilot (2019-2021), which provided the Greater Manchester, West Midlands and West of England Combined Authorities with a package of business and investor support for creative businesses to scale and access finance outside London. The CGP will build on the success of the pilot to provide six regions in England, outside London, with a bespoke package to support high-growth potential creative businesses and build investor networks. The support package will comprise three complementary strands: business support targeted at the creative industries; finance; and investor capacity building activities.

Local area partnerships will deliver targeted business support to high-growth potential creative businesses. It is expected that participation in the CGP will help to build local knowledge, capacity and infrastructure to support creative businesses beyond the programme.

A national delivery provider will be appointed to deliver finance to creative businesses and investor capacity building activities, as well as to provide the administration and monitoring of the programme across the six participating regions. It is intended that local area partnerships and the national delivery provider will work closely together to ensure the programme meets its objectives and outcomes.

The deadline for EOIs is **23:59 hrs BST**, **Thursday 7 July 2022**. An EOI Form should be completed using the template provided and submitted via this email: creategrowth@dcms.gov.uk.

EOI applicants will be shortlisted by a panel appointed by DCMS. Shortlisted applicants will be invited to submit full applications to bid to participate in the programme. Full applications will be assessed by a panel appointed by DCMS using the scoring system outlined in section 7.3 of this document. Applications will also be reviewed against a set of balancing criteria outlined in section 7.4 of this document. If you are invited to submit a full application, this is not a guarantee that the application will be successful. **The deadline for full applications is 23:59 hrs BST, Thursday 25 August 2022.** Full applications should be completed using the template provided and submitted via this email: creategrowth@dcms.qov.uk.

As part of the EOI stage, DCMS is inviting local area partnerships to apply for grants of up to a maximum of £10,000 (ten thousand pounds) to support them in developing full applications to the CGP if they are shortlisted. Only shortlisted applicants that can demonstrate a clear need for a grant to develop a full application will be awarded grant funding. The grant must be spent on activities to support full applications to the CGP.



2. Context of the grant programme

2. 1. Strategic context

The creative industries (CIs) are one of the fastest growing sectors in the UK economy. Prepandemic, in 2019 the CIs generated £115.9 billion in Gross Value Added (GVA) and employed 2.1 million people - or approximately 6.3% of the economy (<u>DCMS Economic Estimates</u>). Despite the disproportionate impact of Covid-19 on many creative sub-sectors, as of December 2021 monthly GVA for the CIs is estimated to be 3.2% greater than pre-pandemic levels in 2020 (<u>DCMS Economic Estimates</u>).

The CIs high-growth potential was recognised by this Government in its 'Build Back Better: our plan for growth' (March 2021), where it was identified as a priority sector for driving post-pandemic recovery. DCMS's forthcoming Creative Industries Sector Vision will set a clear and ambitious vision for supporting our high-growth creative industries. The CGP will play an important role in delivering this objective.

Moreover, with 47 identified creative clusters located across the UK, the CIs can play a critical role in supporting the Government's Levelling Up objectives. The CGP was recognised in the Government's <u>Levelling Up White Paper</u> (February 2022) as a key intervention for driving economic growth and boosting productivity, pay, jobs and living standards across regions.

However, despite the CIs growth potential, there are distinct market and information failures that prevent creative businesses scaling and accessing finance outside of London. The creative sector - predominantly made up of small and medium-sized enterprises (SMEs) - lacks capacity and access to expertise on business planning and finance advice, as well as wider support programmes. Creative businesses produce intangible intellectual property, which creates barriers to accessing traditional sources of finance. Additionally, information failures mean private investors can struggle to understand the sector and to measure investment risk.

2. 2. The Creative Scale Up pilot (2019-2021)

In 2019, the Creative Scale Up pilot was launched with £4 million of Government funding as part of the Creative Industries Sector Deal (2018) (see <u>link</u>). The pilot provided three Combined Authorities (Greater Manchester, West of England and West Midlands) with a bespoke package to support creative businesses at the scaling stage and to build investor networks. More information on the pilot can be found at the participating Combined Authority web pages below:

- Greater Manchester Combined Authority:
- West of England Combined Authority;
- West Midlands Combined Authority.

Since the pilot's launch, it has supported over 200 businesses and engaged with 215 investors. The pilot's evaluation identified that, after 12 months of participating in the pilot, businesses on average experienced increases in turnover of £91,000 (per business) and employment growth of 23%. UK Business Angels Association have estimated that the approximate investment capacity to date of investors registered to the toolkit developed in the pilot is in the range of £149 million and £303 million.



3. Overview of the Create Growth Programme

3. 1. Target Market

The Create Growth Programme will build on the success of DCMS's Creative Scale Up pilot. One of the learnings identified from the pilot evaluation was that there is a pipeline of high-growth potential creative businesses, not yet at the scaling stage, which can benefit from the support offer provided and become investment ready. The CGP has therefore been designed to support creative businesses, with high-growth potential, between the seed and scaling stages.

DCMS will work with the national delivery partner, successful local area partnerships and industry experts to refine criteria for selecting high-growth potential businesses during the course of the programme. As initial guidance, we understand 'high-growth potential' businesses as those demonstrating the following characteristics:

- Turnover growth of 10% year-on-year over approximately 3 years (including either prior to or during the pandemic);
- Employing a minimum of 2 people over the last two years (full-time, part-time or freelance);
- Created a revenue generating product, launched a new platform or service or reached a market of scale:
- Generated a sales revenue in the last 2 years.

For the purpose of the Create Growth Programme, creative businesses refers to those with a high intensity of creative occupations. Please refer to DCMS Economic Estimates, available here, for a list of the sub-sectors and their associated SIC codes that DCMS classifies under the creative industries. Sub-sectors under the creative industries include: Advertising and Marketing; Architecture; Crafts; Design and Designer Fashion; Film, TV, Video, Radio and Photography; IT, Software and Computer Services; Publishing; Museums, Galleries and Libraries; Music, Performing and Visual Arts.

3. 2. Support Package

The CGP will provide participating regions with a bespoke support package comprising of the following complementary elements:

- Business Support Bespoke business support that is tailored to the specific needs of high-growth potential creative businesses, with the aim of building businesses' management skills and understanding of different finance routes to support business growth and investment readiness. It is expected that the support offer will include a suite of workshops, one-to-one mentoring and peer-learning. Content is expected to focus on areas where CI specific advice is needed (eg. Intellectual Property, business models and access to new markets). For generic business support, businesses will be referred elsewhere.
- Investor Capacity Building The aim of the investor capacity building element is to
 increase the number of private investors willing to invest in creative businesses outside
 London, through educating investors about investment opportunities in the sector and
 building investor networks. Building on the Creative Scale Up pilot, it will include a



combination of pitching events, investor outreach and an investor toolkit (building on the <u>Invest in Creative toolkit</u> developed during the pilot).

• **Finance** - Targeted finance will be provided to selected businesses that can demonstrate through a diagnostic assessment that it will act as a stimulus for growth and investment, through leveraging in further private investment.

3. 3. Delivery

Building on the success of the CSU pilot, the business support element of the CGP is to be delivered directly by local area partnerships to allow flexibility to meet local needs. The local delivery of business support aims to build long-term legacy infrastructure, skills and capacity for supporting creative businesses in areas beyond the programme. DCMS view there to be considerable benefits in local area partnerships working with relevant experts in the creative sector in developing and delivering the business support package. This will help ensure that it meets the specific needs of creative businesses and complements other activities and programmes already existing in the area. We recommend that local area partnerships draw on existing networks and industry expertise wherever possible.

A national delivery provider will be appointed to deliver the finance and investor capacity building elements of the programme across participating regions. The national delivery provider will also oversee the administration of the programme and monitoring and evaluation across participating regions.

It is intended that the national delivery provider and local area partnerships will work closely together and engage industry expertise to ensure the programme meets its objectives and outcomes. All local area partnerships applying to the CGP are expected to work jointly with other participating local areas, the national delivery partner and industry experts.

3. 4. Objectives and outputs of the Create Growth Programme

The objectives of the Create Growth Programme are to:

- Support high-growth potential creative businesses to become investment ready outside of London, by developing businesses' knowledge, skills and access to finance.
- Increase the number of investors willing to invest in creative businesses outside of London, by educating and developing investor networks.

To support these objectives, local area partnerships will be asked to provide the following activities and outputs:

Business Support

- Develop a targeted business support package specific to high-growth potential creative businesses, including a suite of workshops, one-to-one mentoring and peer learning activities:
- Procure workshop facilitators and mentors to deliver the business support programme;
- Identify businesses into appropriate cohorts, based on their growth stage, business model and/or sub-sector;
- Baseline and track the performance of participating businesses and those that applied and were unsuccessful to support the evaluation of the programme;



- Support the ongoing investor capacity building strand of the programme, through
 collecting and providing relevant data and aligning the business support programme with
 investor workshops and pitching events;
- Refer businesses to other regional business support programmes, where appropriate.
 This includes businesses which are unsuccessful at the initial application stage, but could benefit from other existing regional support offers; it also includes businesses that are selected for the programme, but where a specific support need is best met through another existing regional programme;
- Work with the national delivery partner to ensure the business support package aligns with and complements the finance and investor capacity building elements of the programme;
- Share best practice on developing and delivering the business support offer across other participating regions.

Comms

• Develop marketing, communications campaigns and events across regions to encourage business applications.

Governance

- Support the evaluation of the programme through collecting data on participating
 regional businesses and the business support offer and sharing this with the evaluators,
 the national delivery provider and DCMS. The CGP provides a significant opportunity to
 improve data on creative businesses at a local level, which will help improve the
 targeting of future policies and programmes to support the CIs;
- Maintain an up-to-date risk register for the business support package and escalate any risks that materialise to the national delivery provider and DCMS;
- Audit assurance and compliance;
- Provide progress and performance reports to the national delivery provider and DCMS.

3. 5. Budget

The Create Growth Programme has a budget of £17.51 million over three financial years (FY22/23-24/25). Each successful local area partnership will be awarded approximately £1.275 million in grant funding to deliver the business support package across three financial years. In addition to this, businesses across participating local area partnerships will have the opportunity to benefit from up to a £7 million fund for finance support. Local area partnerships will also benefit from the investor capacity building activities developed through the programme.

4. Grant funding for Shortlisted Applicants

DCMS recognises the resource pressures that bidding for competitive funding places on local areas and that there are discrepancies between areas in their access to resources to develop funding applications. As part of the EOI stage, DCMS is therefore inviting local area partnerships to apply for grants of up to a maximum of £10,000 (ten thousand pounds) to be used to support the development of full applications to the CGP if shortlisted.

Local area partnerships are asked to specify in the EOI Form under Section 4 the amount of grant needed up to a maximum of £10,000 and demonstrate a clear justification for how the grant



will help them to develop full proposals for the competition. Only shortlisted applicants that can demonstrate a clear need for a grant to develop a full application will be awarded application grant funding.

The application grant must be spent on activities to support full applications to the CGP. This could include:

- Agency staff/consultancy for bid writing;
- Consultation;
- Data gathering and analysis;
- Industry expertise.

If your proposal for an application grant is accepted, this is not a guarantee that the full application to the CGP will be successful.

5. Eligibility

Please read the eligibility requirements for the programme carefully. If you do not meet the eligibility requirements, it will not be possible to consider your application.

5. 1. Who can apply?

The programme is open to EOIs from local area partnerships in England and outside of London only. London boroughs and the Greater London Authority are excluded from applying to the programme either as a stand alone application or as part of a consortium bid. The CGP is focused on supporting creative businesses and unlocking economic growth in other parts of the country.

Applicants must be either a Combined Authority, Local Authority or Local Enterprise Partnership (LEP). In the case of a consortium application, the lead organisation must be either a Combined Authority, Local Authority or LEP.

There is no predetermined minimum or maximum size of geographical area(s) that can apply. However, local area partnerships will be assessed on their capacity to deliver on the stated objectives of the CGP and will be required to demonstrate there are enough businesses in the area that can benefit from the programme and sufficient local infrastructure to support businesses beyond the programme. It is therefore suggested that local area partnerships should, where existing, be a Mayoral Combined Authority or a consortium of upper tier and unitary authorities elsewhere.

5. 2. Applications from consortia

One organisation must act as the lead organisation and submit the application. Applications from consortia should be submitted once only, by the lead organisation.

Please note that DCMS is unable to award a grant to multiple organisations. The lead organisation would therefore need to be responsible for distributing funding through an invoicing arrangement and managing working relations with the other partners. The lead partner is the responsible organisation who will share the Memorandum of Understanding (MoU) and determination letters with all parties involved.



5. 3. Multiple applications

Lead organisations are eligible to submit a single application only. Local organisations (Combined Authorities, Local Authorities, LEPs) applying as part of a consortium bid, either as a lead or non-lead, will count as one application. They must not submit a separate, stand-alone application and an application as part of a consortium, either as a lead or non-lead.

6. Application instructions and timelines

6.1 Instructions for submitting an Expression of Interest (EOI)

The Create Growth Programme will open for EOI applications from **Thursday 9 June 2022 to Thursday 7 July 2022, 23:59hrs BST.** Any EOI forms received after the closing date will not be considered.

The EOI form will include an eligibility questionnaire which must be completed. The EOI form will also give you the opportunity to describe your proposal in no more than 1000 words against the criteria outlined in section 7 of this document.

If you wish to apply for grant funding to support the development of a full application if you are shortlisted, then please complete Section 4 of the EOI Form.

To apply, please submit your EOI form to creategrowth@dcms.gov.uk adding "EOI CGP" and the lead organisation name to the subject line.

6. 2. Instructions for submitting a full application

All EOI applicants will be informed whether or not they have been successful at the shortlist stage. Shortlisted applicants will then be invited to submit a full application using a provided template and submit evidence against the set of predefined criteria outlined in section 7 of this document. Only full applications from shortlisted applicants invited to apply will be assessed. If you are invited to submit a full application, this is not a guarantee that the application will be successful.

Please submit your full application adding "Full Application CGP" and the name of the lead organisation to the subject line to this email: creategrowth@dcms.gov.uk

Full applications will be assessed by a panel appointed by DCMS using the scoring system outlined in section 7.3 of this document. Applications will also be reviewed against a set of balancing criteria outlined in section 7.4 of this document.

The application process is outlined below:

- Submit EOI form;
- DCMS undertakes eligibility check;
- DCMS appointed panel reviews EOI;
- Applicants informed of EOI outcome and applications for grant funding to support full applications;



- Shortlisted applicants are invited to submit full applications. Those successful in applying for grant funding to support full applications will receive grant funding;
- DCMS appointed panel assesses applications against criteria;
- DCMS appointed panel reviews applications against balancing criteria;
- All applicants are informed of the decision outcome.

All available information and guidance relating to the application to the CGP is contained within this document. The Creative Economy Team in DCMS can answer questions related to the application process and eligibility. However, as the application process is competitive, they are unable to provide any support in completing the application. If you have a question, please contact this email: creategrowth@dcms.gov.uk

6. 3. Timelines

The EOI will open for applications on **Thursday 9 June 2022.** The closing date for submitting EOI applications is **23:59hrs BST**, **Thursday 7 July 2022**.

All EOI applicants will be informed whether or not they have been successful at the shortlist stage by **Thursday 21 July 2022**.

Shortlisted applicants will then be invited to submit a full application by 23:59hrs BST, Thursday 25 August 2022. Only shortlisted applicants will be eligible to submit full applications. Applicants should expect to be notified of the decision outcome in **September 2022**.

The programme is expected to launch in **Autumn 2022**. All funding must be accounted for by **31 March 2025**.

7. Assessment Criteria

7. 1. Expression of Interest Form

The following sections of the Expression of Interest (EOI) form must be completed for the application to be considered.

Section 1: Eligibility Questionnaire: Essential Criteria

All applicants are required to complete the eligibility questionnaire with essential criteria. Essential criteria must be met by all applicants to qualify for the EOI stage. If these essential criteria are not met, the EOI application concerned will not be considered.

Essential criteria:

- 1. The entity bidding must be either a Combined Authority, Local Authority or Local Enterprise Partnership (LEP). In the case of a consortium of bidders, the lead organisation must be either a Combined Authority, Local Authority or Local Enterprise Partnership (LEP).
- 2. The entity bidding (and all members of a consortium) must be in England or deliver the programme outputs and objectives in England.



3. The entity bidding (and all members of a consortium) must be outside London or deliver the programme outputs and objectives outside London. London boroughs and the Greater London Authority are not eligible to apply.

Section 2: Local Area Partnership details

Section 2 of the EOI form is intended to capture key details about the lead organisation and consortium members (if applicable) of the local area partnership applying. Please make sure this information is accurate as it will inform DCMS's due diligence and risk assessment checks.

Section 3: Proposal

Section 3 of the EOI form will give you the opportunity to provide a response in no more than 1000 words to the following criteria:

- Characteristics of place: local creative businesses and infrastructure (200 words max):
 - Briefly describe the creative sector in your region, including the types of creative businesses by sub-sector and growth stage, creative infrastructure and investor communities that are present.
 - Which existing or future regional support offers (both CI-specific and sector agnostic) are present in the region that businesses could be referred to or could provide feeder or follow-on support? This could include but is not limited to growth hubs, innovation accelerators and regional business support or funding programmes.
- **Programe need** (200 words max):
 - Briefly describe the need for the programme in the region and how high-growth potential creative businesses are currently under-served by support offers.
 - Please confirm that the programme does not duplicate other existing support offers in the region. Where there are similar programmes being delivered, please explain how the Create Growth Programme will provide additional benefits to high-growth potential creative businesses and the investor community.
- Local organisational capacity (200 words max):
 - Briefly describe your previous experience in delivering comparable programmes, either sector agnostic or targeted at the creative industries. Describe how you will either draw on existing organisational skills and resources or engage specialist expertise to deliver the programme.
 - Explain how the programme will be monitored and reported (this should include financial expenditure and intended outcomes and benefits).
- **Programme legacy** (200 words max):
 - Explain how the programme's stated objectives align with existing or future local cultural, creative industries and economic growth strategies or plans.
 - Explain how you will support local economic growth and productivity in the creative sector beyond the CGP. DCMS welcomes local area partnerships to identify opportunities for additional funding to support the continuation of the programme beyond its lifecycle or to support complementary feeder and followon programmes.
 - Explain how the programme will help to build capacity in the local area partnership team for supporting the CIs.



- Equality, diversity and inclusion (200 words max):
 - Briefly explain how as part of the CGP you intend to engage diverse businesses, employing those with protected characteristics;
 - Please also describe how the business support offer provided will support businesses in diversifying their workforce and open up opportunities for those with protected characteristics.

Section 4: Application Grants (optional)

If you wish to apply for grant funding to support the development of a full application to the CGP if you are shortlisted, then please complete Section 4 of the EOI Form according to the template provided.

To be eligible to apply for an application grant, you must confirm the following:

- The bidder has not previously been successful in bidding for public or private funding to deliver similar programmes;
- The bidder is not currently in receipt of public or private funding for delivering similar proposals or programmes.

You will be required to specify the following:

- The amount of funding you need up to a maximum of £10,000 (ten thousand pounds);
- Why you need the grant to develop a full application (150 words max). You must
 demonstrate that you do not currently have sufficient resource in place for developing an
 application and that there is a clear need for the use of grant funding to develop a full
 application;
- What activities you will spend the grant on to support the development of an application to the CGP. This could include, but is not limited to, the following:
 - Agency staff/consultancy for bid writing;
 - Consultation:
 - Data gathering and analysis;
 - Industry expertise.

7. 2. Full application form

If you are shortlisted at the EOI stage, you will be invited to submit a full application form. Please note that this is not a guarantee that the application will be successful. You will be provided with a full application form that will require you to expand on the response you provided in the EOI form and provide evidence against the following criteria:

- Section one: Characteristics of place: local creative businesses and infrastructure
 Local area partnerships should demonstrate that they have a large enough cluster (or group of clusters) of creative businesses with suitable growth prospects to enable meaningful engagement with and impact from the programme and there is sufficient local infrastructure to support businesses beyond the programme. This includes:
 - How many creative businesses in the region do you estimate engaging as part of the programme?
 - o Which creative sub-sectors are covered by these businesses?
 - How do these businesses meet the description of 'high-growth potential'?



- Which existing or future regional support offers (both CI-specific and sector agnostic) are present in the region that businesses could be referred to or could provide feeder or follow-on support? This could include but is not limited to growth hubs, innovation accelerators and regional business support or funding programmes.
- Section two: Programme need Local area partnerships should demonstrate that there is unmet demand for the programme and that it will build on and not duplicate existing activity in the region. This includes:
 - Describe the need for the programme in the region and how creative businesses are currently under-served by support offers.
 - Please confirm that the programme does not duplicate other existing support offers in the region. Where there are similar programmes being delivered, please explain how the Create Growth Programme will provide additional benefits to businesses and the investor community.
- Section three: Local organisational capacity Local area partnerships should demonstrate that they have the capacity, skills and resources to deliver the programme, as well as sufficient understanding of, and partnerships with, creative businesses and networks in their region. This includes:
 - Briefly describe your previous experience in delivering comparable programmes, either sector agnostic or targeted at the creative industries. Describe how you will either draw on existing organisational skills and resources or engage specialist expertise to deliver the programme.
 - Explain how you intend to engage with creative industry expertise in developing the business support package;
 - How you will resource activity (eg. additional staff recruitment, training requirements or procuring third party providers);
 - How you will undertake the procurement activity for the project (if applicable), in line with Public Contracts Regulations 2015;
 - Provide evidence of your organisation's financial stability, appropriate governance and an ability to administer and account for the grant. In the event of a consortium bid, all bidding organisations must provide evidence of financial stability and the presence of appropriate governance arrangements between all consortium members:
 - Provide outline costs of how you intend to spend the grant to deliver the business programme, including salaries of staff and contractors;
 - Provide a summary of key risks relating to the delivery of the programme and how these will be monitored and managed;
 - Explain how you intend to monitor and report on the programme (this should include expenditure; timetable; outcomes and benefits). Describe the financial management systems and processes you intend to put in place. Please provide a clear proposal for how much funding will be drawn down each month from September 2022 to March 2025 and describe how this will be accounted for.



- **Section four: Programme legacy** Local area partnerships should demonstrate how the programme will support them in developing partnerships and building long-term capacity and legacy infrastructure to support the creative industries in their area after the programme ends. This includes:
 - How does the programme's stated objectives align with existing or future local cultural, creative industries and economic growth strategies or plans?
 - How will you support local economic growth and productivity in the creative sector beyond the CGP? DCMS welcomes local area partnerships to identify opportunities for additional funding to support the continuation of the programme beyond its lifecycle or to support complementary feeder and follow-on programmes.
 - Briefly describe how the programme will support you to strengthen local understanding and partnerships with CI businesses within the region and how it will help to build capacity in the local area partnership team for supporting the CIs;
 - Briefly describe how the programme will support you to strengthen investor networks willing to invest in the CIs within region.
- Section five: Equality, diversity and inclusion Local area partnerships should demonstrate their commitment to opening up access and broadening the diversity of workforce in creative businesses in their area. This includes:
 - Briefly describe how you intend to engage diverse businesses, employing those with protected characteristics, as part of the CGP;
 - Please also describe how the business support offer provided will support businesses in diversifying their workforce and open up opportunities for those with protected characteristics;
 - Explain how you will monitor the diversity of workforce in the businesses supported.

7. 3. Scoring criteria

The essential criteria listed in section 7.1 of this document must be met by all EOI applicants to qualify for the shortlisting stage. If the essential criteria are not met, the EOI application will not be considered.

If the essential criteria are met, EOIs will be reviewed by a Panel appointed by DCMS. As part of the EOI process, DCMS will use any other information we hold about the lead applicant or consortium member. We may share your application with expert stakeholders or other government departments for their review and comment to help inform the panel's decision.

The application will be scored using the weighting system detailed overleaf.



Section	Weighting
Characteristic of Place: Local Creative Businesses and Infrastructure	25
2. Programme Need	25
3. Local Organisational Capacity	20
4. Programme Legacy	20
5. Equality, diversity and inclusion	10

Each section of an application will be evaluated and marked on a scale of 0-4 where:

- 0 = Serious concerns (e.g. application does not meet requirements and/or raises serious concerns)
- 1 = Minor concerns (e.g. application meets some requirements but with gaps and/or some minor concerns)
- 2 = Adequate confidence (e.g. application meets most/all requirements and provides a detailed response but lacks evidence in minor areas)
- 3 = Good confidence (e.g. application meets all requirements and provides a detailed response but lacks evidence in minor areas)
- 4 = Excellent confidence (e.g. application meets all requirements and provides a detailed response and evidence which demonstrates a particularly strong understanding of the requirements)

Your overall score will be a percentage and will be determined by the marks awarded for each criteria (out of 4) in accordance with the applicable weighting. For example, if the weighting for a question is 20%, a mark of 4 for that question would lead to a score of 20%, a mark of 3 for that question would lead to a score of 15%, a mark of 2 for that question would lead to a score of 10%, a mark of 1 for that question would lead to a score of 5%, and a mark of 0 would lead to a score of 0%. DCMS reserves the right to reject any bidder who scores 0 in any of the questions and/or achieves an overall score of less than 50%.

7. 6 Balancing Criteria

The Create Growth Programme seeks to support a range of creative sub-sectors and a good geographical spread of regions across England. In addition to the main criteria, at the full application stage DCMS will use a set of balancing criteria to differentiate between a number of proposals that are considered fundable. The Panel appointed by DCMS will balance applications across the following criteria:

- **Geographic spread** DCMS will look to ensure a fair spread of successful regions across England.
- Creative sub-sectors Different regions may have particular strengths in specific creative sub-sectors (eg. film, video games, fashion and publishing). DCMS will look to ensure that the portfolio of regions participating in the CGP supports businesses across a range of creative sub-sectors.



- Growth potential DCMS will look to support regions that are identified as having growth potential for the creative industries. We realise that regions will be starting with different levels of existing infrastructure and at different growth stages. We will look to target those regions where the programme will be most additive and have the greatest impact on driving growth. DCMS will draw on relevant research and data sets on creative scale up firms in regions to support the assessment of a region's growth potential.
- Existing support for creative businesses DCMS will look to support regions where the programme can have maximum impact through aligning with other regional support offers but also does not duplicate activity funded by other public or private investment.

8. Grant Requirements

Maximum grant value FY22/23-24/25

Successful applicants will be awarded a grant of approximately £1.275 million over three financial years (FY22/23-24/25).

The value of the grant will be set out in the determination letter provided, which will be reviewed and issued at least each financial year. DCMS will review the amount of grant being committed based on a local area partnership's performance against target and success measures for the programme. Confirmed funding for FY 22/23 is approximately £425,000. Indicative Funding, based on performance, for FY 23/24 and FY 24/25 is approximately £425,000. Payments will be made monthly or quarterly (subject to agreement between DCMS and the local area partnerships prior to signing the MoU).

Grant programme management

The Creative Economy Team in the Media and Creative Industries directorate at DCMS will manage grants to local area partnerships.

For application grants to shortlisted applicants, the legal power is the <u>UK Internal Market Act</u> 2020, Section 50.

For successful applicants to the Create Growth Programme, the legal power for this grant is the Local Government Act 2003, Section 31.

What to expect from DCMS if you are shortlisted

• We will carry out detailed due diligence and risk assessment checks, which may involve requests for further information.

What to expect from DCMS if you are successful at the full application stage

- DCMS will send a Memorandum of Understanding (MoU) and a determination letter, with details of the value of the grant.
- Determination letters will be issued at least each financial year of the programme and DCMS will review the value of the grant awarded on this basis. DCMS will review the amount of grant being committed in the determination letter based on a local area partnership's performance against target and success measures for the programme.



- The monitoring process between local area partnerships, DCMS and the national delivery provider will be set out in the MoU.
- DCMS will work with the successful applicant on relevant public communications regarding the CGP.

Checks you are expected to undergo

Your organisation will also need to pass DCMS's due diligence checks, which ensure:

- You are not already receiving funding for this project from Government.
- That there is no indication of fraud. DCMS does not tolerate fraud, bribery or corruption. Applications will be checked against various databases to assess accuracy of the information provided. Fraud measurement and post-event assurance will also be carried out throughout the programme.
- We expect applicants to provide further information, if requested, as the result of due diligence and risk assessment checks.

Additionally, if you have been funded by another part of Government, we may seek feedback from that department.

Financial requirements

- 1. The DCMS financial year runs 1st April to 31st March. All funds awarded through this grant **must** be accounted for by 31st March 2025. If successful, your determination letter will set out the committed amount of grant that DCMS will pay for the first financial year (FY 22/23) and indicative amounts for the next two financial years (FY 23/24-24/25).
- 2. The grant award must not exceed 50% of your annual income/turnover or collective annual income/turnover if you are applying as a formal consortium.
- 3. If you are shortlisted and invited to submit a full application, you will be asked to describe the financial management systems and processes you will put in place. You will also be expected to set out a clear proposal for how much funding will be drawn down each month from September 2022 to March 2025.
- 4. Payments will be made monthly or quarterly (subject to agreement between DCMS and the local area partnerships prior to signing the MoU).
- 5. If you believe there is a compelling reason to be paid at the point of need, please set this out in your full application. Your request will be considered as part of the assessment process and subsequent due diligence, but will not, in itself, disadvantage your application.

Subsidy control

As of 1 January 2021, EU state aid rules no longer apply in the UK for new subsidies awarded after that date. The UK has entered into a Trade and Cooperation Agreement with the EU, which contains certain Subsidy Control provisions governing the award of subsidies by UK public authorities that may affect trade and investment between the UK and the EU.

The current rules are explained in the Department for Business, Energy and Industrial Strategy (BEIS) guidance <u>Technical Guidance on the UK's International Subsidy Control Commitments</u>. <u>The Subsidy Control Act 2022</u> will come fully into force in October 2022.



Local area partnerships will need to consider whether any grant funding they award is compliant with rules on Subsidy Control applicable at the time of award.