

# 10 RECOMMENDATIONS FOR TIP PART 2

## INTRODUCTION

There are two parts to every TIP, and the Part 2 spreadsheet templates form a very important part of the submission to MHCLG. This is where towns are required to provide details of each proposed project, set out the funding sources and expected outputs/outcomes, and provide some of the key evidence around the work undertaken to date.

This note sets out some pointers for completing Part 2 TIPs which will help towns to ensure that they are using them to make as strong a case as possible for each proposed investment.

Note that the spreadsheet provided must be used for Part 2 TIPs – this cannot be unlocked or duplicated in some other format.

## 1. EARLY PLANNING

With Part 1 TIPs amounting up to 10,000 words, there will be a temptation to focus on writing these and seeing the Part 2 spreadsheet as something to populate at the end. However, it is much more beneficial to give early consideration to the Part 2 TIP and plan accordingly. Towns should ensure that they are familiar with the template and the information that will need to be provided and take this into account from an early stage. Our suggestion is that the Part 2 TIP should be populated as soon as the project shortlist is agreed, as this will help to inform priority areas for future work by identifying sections that are more difficult to complete.

The Towns Fund Delivery Partner offers early 'direction of travel' reviews which can be beneficial in helping to shape the TIP prior to a later check and challenge.

Many of the things that need to be included in the Part 2 TIP – such as outcomes, outputs, potential for co-funding and project risks – should play a part in the initial work on project prioritisation that also feeds into the Part 1 TIP. The Part 2 TIP can also be used as an opportunity to demonstrate strength in depth by adding value to the project descriptions and analysis in the Part 1 TIP. It can be beneficial to draft sections of the Part 2 TIP in Word and then input to the spreadsheet afterwards. Different cells in the spreadsheet have different word limits, so it is helpful to keep that in mind.

## 2. GIVE A CLEAR DESCRIPTION

It may seem obvious, but it is really important to give a clear description of what the project is – what exactly is it that the Towns Fund money is going to buy? Any outputs and outcomes that are claimed should be distinctly related to what the Towns Fund money is going towards. The project description box at the start should be used to set this out – if the reader comes away from this section without understanding the project properly, it makes it more difficult to interpret the rest of the sheet. Project references should also match references in the Part 1 TIP and any annexes.

### **3. PROVIDE EVIDENCE**

Although the word limit is tighter than the Part 1 TIPs, assertions made in the Part 2 TIP should still be backed up by an appropriate level of evidence. For instance, if it is being argued that a new development will not be delivered without public sector intervention, it is important to explain why this is the case. This will likely be backed up by more detailed evidence in the Part 1 TIP, but it still needs to be summarised or referenced here.

### **4. ALIGNMENT WITH PART 1**

There will be places where there is overlap between the Part 1 and Part 2 TIPs – for instance, the ask from the Towns Fund and the level of co-funding will be shown in both, as will the timings of project delivery. Where this is the case, it is vital that there is complete consistency between the two and that this remains the case as revisions are made over time. For example: if the Part 1 TIP says that a project will be delivered over three years, but the Part 2 TIP only includes costs for one year, this will suggest to the reviewer that something is not right.

Programme managers should ensure that Part 1 and 2 TIPs, and supporting cost model version updates, are synchronised throughout the TIP development.

### **5. CONSISTENCY OF NUMBERS**

As well as ensuring consistency with the Part 1 TIP, there is a need to make sure that everything is consistent across different sections of the Part 2 TIP itself. For instance, the Part 2 TIP asks for costs to be entered in different ways:

- a) total (row 12);
- b) split between Towns Fund (row 11) and co-funding (row 15); and
- c) profile over time (rows 18 and 19 for Towns Fund and co-funding respectively).

These should all add up to the same total figure.

The consistency issue also applies to filling in the outputs and outcomes boxes. For instance, if the project description says that 100 houses will be delivered, this should match the figure used in the output box later or an explanation provided for any differences.

### **6. OUTPUTS AND OUTCOMES**

The template allows for towns to enter five outputs and three outcomes for each project, with an estimate of the potential quantity in each case. There are three possible issues here:

- i) There is a risk that the numbers entered do not make sense without some context around the unit that is being used;
- ii) Some projects will have more outputs and/or outcomes than the number of rows provided;  
and
- iii) The indicators for a project's outcomes may not match the drop-down options available.

To help overcome this, our recommendation is to enter the numbers as required in the template and then write a sentence, with the units and/or qualifying statement, in either the 'project description' or 'alignment with theory of change' boxes. The same approach can also be taken for additional outcomes or outputs. All outcomes and outputs should be included if possible, as these are an important part of demonstrating the likely return on the investment. It is also very important to use credible figures based on best practice appraisal guidance and to not overclaim. Towns should demonstrate how their figures have been calculated and provide sources for the estimates.

Where there is not a suitable drop-down option for project outcomes, our suggestion is to select "other" and type in the more appropriate indicator.

## **7. CO-FUNDING**

MHCLG is keen to see projects where funding is also secured from other sources. Towns should show as much evidence as possible that the private sector has been engaged and, where private sector co-funding is included, demonstrate evidence of a firm commitment. Where engagement is ongoing to seek co-funding, the town should explain how confident they are that this will be achieved and who would be involved (without breaking any confidentiality agreements).

Where the co-funding figure is zero, an explanation should be provided – either by demonstrating why it is not appropriate for that project or by demonstrating progress with discussions and potential commitment. It is recognised that only so much can be achieved by the time of TIP submission, but best endeavour and potential should be reflected.

There is also a common pitfall with Part 2 TIPs where the co-funding amount from public sources (in row 15) is entered with the same figure as the Towns Fund ask in row 11. The co-funding box should only show funding from other public sector sources, not the Towns Fund itself.

## **8. BENEFIT/COST RATIOS**

BCRs are not expected at this stage of the process, but there is space to enter an indicative value in cases where an assessment has been made. If this is the case, the Part 2 TIP will benefit from a brief description of the basis for the assessment (e.g. what are the key benefits that have been included and does this align with MHCLG / Green Book business case guidance). As with the outputs and outcomes, Towns should also ensure that the values of the BCRs are credible.

Note that for projects that are deemed to be shovel-ready, the expectation is that a BCR is more likely to be provided and that any remaining actions listed in the delivery plan will also reflect the project's level of advancement.

## **9. RISKS AND INTERDEPENDENCIES**

The delivery plan box in row 37 of the Part 2 TIP should include a summary of risks and interdependencies. This is particularly important for large scale interventions. Demonstrating that risks have been identified and, where possible, mitigated or planned to be mitigated, will help to improve the credibility of TIP submissions. It is important that if no risks or interdependencies are expected for a project, towns should state so in this part of the spreadsheet rather than leave it blank.

## **10. SPELLING AND GRAMMAR**

Because Part 2 is in MS Excel, there is no spellcheck or grammar autocorrect, so it is particularly important to proof and review this sheet. Although the content is the most important thing, ensuring that the text is well written will help to make the submission feel more professional. For boxes that contain paragraphs of text, it may be beneficial to run them through a spell checker in Word before pasting into the spreadsheet.

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