1. INTRODUCTION

Tourism is a key component of Scotland’s economy as demonstrated in its status as one of Scotland’s Growth Sectors\(^1\) in recent years, both in terms of value and jobs, attracting approximately 14.9 million overnight visitors\(^2\), which generated £5.3 billion in visitor expenditure in 2017. Further to this 124m day trips\(^3\) were taken in Scotland with a total spend of £3.9 billion\(^4\).

The increasing popularity of outstanding scenic areas stimulated by marketing successes such as the North Coast 500, the successful International film and tv tourism market as a result of shows such as Outlander, the huge growth in cruise liner arrivals and the growth in the motorhome sector has led to rapid increases in visitor numbers and resulted in some areas, at certain times of the year, leading to a poorer visitor experience and negative impacts on some local communities as the current infrastructure is unable to accommodate the growing numbers.

To address these concerns, on the 10\(^{th}\) October 2017, the First Minister announced a £6 million investment in a new rural tourism infrastructure fund which would be administered by VisitScotland. Following the successful implementation of the first 2 rounds of the RTIF in 2018 and 2019, the Scottish Government announced in September 2019 that a further £3m of funding would be available for a 3\(^{rd}\) Round of funding in 2020/21.

The 3\(^{rd}\) Round will look to build on the momentum created by the first two rounds of the RTIF and the unfulfilled demand for support to realise a more strategic network of facilities which will meet the needs of our visitors for years to come and drive Scotland’s rural areas to become world class destinations.

The Rural Tourism Infrastructure Fund is a platform which will provide leverage for additional and focused investment, stimulate collaboration, build capacity within communities and meet the

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Scottish Government’s commitment to addressing climate change and the transition of Scotland to a low carbon society.

RTIF will continue to support collaborative projects that focus on improving the visitor experience in rural parts of Scotland that have faced pressure on their infrastructure or negative impacts on communities due to significant increases in visitor numbers but will also look forward to address anticipated future pinch points as a result of growth initiatives such as route development, major events, the rise in cruise arrivals, film and TV production as well as the continued growth in the motorhome sector.

2. RTIF FUNDING CRITERIA

- RTIF Round 3 is for projects which run from 1st October 2020 until 30th September 2021. All projects must be completed by 30th September 2021 and final claims received by 31st October 2021.
- Rural Tourism Infrastructure Fund awards are available from £75,000 up to a maximum of £375,000.
- RTIF can provide Applicants with support up to 70% of approved project activity. There is the potential to award a maximum of 75% for projects with which have a strong strategic rationale.
- Applicants must provide a minimum of 25% match funding for the projects looking for the maximum 75% and 30% for other projects, although this can include In Kind Support in the form of labour or land value.
- A small amount of RTIF funding will be made available to applicants approved at EOI stage to support design and facilitate the planning process. This will be available up to maximum of £5,000 based on a maximum 50% intervention rate.
- Applicants must have submitted a planning application by the time of the Stage 2 deadline and evidence must be provided to support this with the Stage 2 submission.
- RTIF is open to applications from the Local Authorities and the National Park Authorities. A collaborative approach must be demonstrated with a strong buy-in and project support from local communities and tourism groups.
- The fund will only be applicable to rural areas as defined by the Scottish Government’s official Urban/Rural classification 5 &6 – “accessible and remote rural areas” excluding settlements above 3000 people.
- The fund is for rural areas across Scotland (as defined above) but would exclude towns and larger villages within these locations. Primarily it is to support infrastructure requirements around (non-paid for) visitor or natural attractions, i.e. areas of outstanding scenic beauty, that have attracted increased visitor numbers and to stop deterioration of the natural and built environment, as well as benefitting local communities in the area.
- RTIF will support projects where there is an existing visitor pressure points or there is an expectation of a future pressure point from additional visitor numbers due to growth initiatives such as route development, events, increases in sector specific activity such as cruising, film and tv production.
Projects which have a negative impact on the natural heritage, including species and habitats, geology, landscapes and water courses will not be supported. Advice should be sought early on from appropriate bodies such as Scottish Natural Heritage and SEPA.

RTIF cannot support projects that have been refused planning permission.

RTIF cannot support any road improvement works that fall within the remit of the Local Authorities or Transport Scotland.

3. FREQUENTLY ASKED QUESTIONS

1. What type of activity CAN be supported by the RTIF?

<table>
<thead>
<tr>
<th>Project Activity which is eligible for support</th>
<th>Round 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking</td>
<td>New or upgraded Car Parking including new disabled parking and dedicated motorhome and coach parking</td>
</tr>
<tr>
<td>Essential Improvement works to paths</td>
<td>Paths of not more than 500m to and from car parks and scenic areas to ease access and address pressure points</td>
</tr>
<tr>
<td>Scenic laybys,</td>
<td>Scenic roadside viewpoints</td>
</tr>
<tr>
<td>Camping Facilities</td>
<td>Overnight Motorhome Bays with or without electrical hook up points</td>
</tr>
<tr>
<td>Toilet Provision</td>
<td>New or upgrades to existing Toilets where this creates additional provision and promotes Equality of access, particularly where these exceed minimum standards</td>
</tr>
<tr>
<td>Disposal points (especially for Campervans)</td>
<td>Chemical waste disposal facilities, water supplies and black and grey waste disposal facilities for campers and motorhomes</td>
</tr>
<tr>
<td>Recycling Points</td>
<td>Recycling Points</td>
</tr>
<tr>
<td>Road signage, waymarks and interpretation</td>
<td>Directional road signage, waymarks and improved external interpretation</td>
</tr>
<tr>
<td>Sustainable tourism</td>
<td>Interventions that encourage sustainable tourism, including, electric vehicle charging points, cycle racks and support access by public transport</td>
</tr>
<tr>
<td></td>
<td>Signage and information management systems to support more sustainable management of visitor pressure points and dispersal to other sites can be included in the eligible costs.</td>
</tr>
<tr>
<td>Project Management</td>
<td>Project management up to 10% of the total construction costs where these relate to strategic and collaborative projects and covering both in house and contracted project management</td>
</tr>
</tbody>
</table>
Land purchase or in-kind land costs where these are accompanied by an external valuation

Design Costs

*Designs costs up to £5000 to support the development of strategic and collaborative projects receiving EOI approval. Can include in house or contracted costs.*

Irrecoverable VAT

*The RTIF Award is not subject to VAT. The RTIF Award will NOT be increased, should any VAT liability arise for the applicant group. The RTIF Award is inclusive of VAT, if any, payable thereon and it is the responsibility of the applicant group to ensure that their treatment of VAT relative to the Award is correct. Irrecoverable VAT can be claimed on receipt of confirmation from the appropriate authority.*

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2. **What type of activity CAN NOT be supported under the RTIF?**

<table>
<thead>
<tr>
<th>Type of activity CAN NOT be supported under the RTIF</th>
<th>Round 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Development</td>
<td>Activity ineligible for support through Rural Tourism Infrastructure Fund award includes: -</td>
</tr>
<tr>
<td>Visitor attractions</td>
<td>Funding new visitor attractions or paid visitor attractions</td>
</tr>
<tr>
<td>Community facilities</td>
<td>Community facilities such as village halls, playparks or bespoke community parking or provision of facilities for the sole purpose of generating income etc</td>
</tr>
<tr>
<td>Roads</td>
<td>Any works which fall under the classification of roads infrastructure including provision of passing places</td>
</tr>
<tr>
<td>Broadband infrastructure</td>
<td>The development or creation of Broadband infrastructure</td>
</tr>
<tr>
<td>Maintenance or repair works</td>
<td>Routine maintenance or repair of cycling and walking infrastructure</td>
</tr>
<tr>
<td>Marketing</td>
<td>Production of marketing and promotional materials, such as leaflets, web sites or social media activity</td>
</tr>
<tr>
<td>Revenue Costs</td>
<td>Ongoing revenue costs associated with the project including rental/lease costs or maintenance,</td>
</tr>
<tr>
<td>Overhead Costs</td>
<td>Admin, finance or property overhead costs either during or post the project delivery or as part of project management costs</td>
</tr>
<tr>
<td>Staffing costs</td>
<td>Staffing costs following completion of the project</td>
</tr>
</tbody>
</table>
### New Routes

New cycle routes or long-distance paths or routes – the exception to this, as outlined previously, is where the creation of linking paths as part of a wider development.

<table>
<thead>
<tr>
<th>Feasibility Studies</th>
<th>Any feasibility Studies or pilot projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Path Development</td>
<td>Paths which are more than 500m in length</td>
</tr>
</tbody>
</table>

3. **Is Round 3 the only application round in 2020?**

Current plans are that there will be only 1 application round for 2020/21 but this may be reviewed. As a new feature for Round 3, a small amount of funding will be allocated on approval of the EOIs to support design and planning requirements.

4. **Is there any limit to the number of applications that can be submitted by the same organisation?**

There is no limit on the number of applications that can be submitted to RTIF by any organisation. However, the Fund may prioritise projects which fit within a strategic approach rather than stand-alone projects.

The Panel will try to seek a geographical spread of funding throughout the Scottish rural areas and may introduce this as part of the criteria giving priority in the assessment process to areas which have not received any prior funding.

5. **What is the project cost required to meet the minimum level of grant support?**

The minimum project cost for RTIF support is £107,143 if the Intervention rate requested is 70%. If you are applying for 75% RTIF grant, then the minimum project cost must be £100,000.

6. **Do I need Planning permission before I can apply to the RTIF?**

Applicant must provide evidence that a planning application(s) has been submitted to the planning authorities through receipts and acknowledgements by at the time of the Stage 2 application deadline. No grant award will be made until planning permission has been received and confirmation forwarded to the RTIF team.

7. **What kind of evidence do I need to supply to demonstrate visitor pressures at my project site?**

It is essential that you supply evidence of need for your project. Survey results from the community and or visitors which demonstrates a poor quality visitor and community experience would be ideal. Evidence of increased visitor numbers to a site using pedestrian or traffic counters would be helpful. Reports on, and any photographic evidence of, the deterioration of the environment as a result of visitor numbers could also be supplied. Comments on social media and Trip Advisor are also acceptable forms of evidence. Please ensure that your evidence is...
directly applicable to the site in question and is not of a generic nature covering a whole Local Authority area for example.

In the case of anticipated demand, you must supply evidence to support your argument for intervention in this instance. This could be from existing information studies, experience from other areas which have experienced similar circumstances i.e., film and tv locations, future bookings for cruise tours or tour operators etc.

Letters of support from community groups or individuals are not regarded as evidence of a visitor pressure point but are useful to show evidence of community support and some evidence of community involvement, endorsement and support should also be provided.

8. Are projects in Towns and villages in rural areas eligible for funding?

The Scottish Government have defined the eligible areas according to the Scottish Government’s official Urban/Rural classification Groups 5 &6 – that is “accessible and remote rural areas” excluding settlements above 3000 people. The postcode of the project must be located within areas and this might well exclude projects in small towns within rural areas. If you are unsure of the classification of your project postcode then please get in touch with the RTIF team who will be able to clarify this for you.

9. Why can’t Community Groups and other National Agencies and Charities apply for funding?

Scottish Government have established the criteria for the Fund and stipulated that only the Local Authorities and the National Park Authorities can apply for funding. However, Community Groups and other agencies can collaborate with their Local Authority or in partnership with one of the public agencies if they have an eligible project which meets the criteria and fits within the strategic rationale for the wider project.

In addition, the applicant must demonstrate a collaborative approach with a strong buy-in and project support from local communities and tourism groups. This will form part of the assessment process.

Private sector or individual businesses cannot apply to the RTIF either independently or through the Local Authority or other public sector agencies.

10. What funding sources can be used to match the RTIF Grant?

As we are acutely aware of the restrictions on potential sources of match funding with the end of EU and Leader Funding in rural areas, RTIF has increased the potential maximum Intervention rate to 75% for projects which strong strategic rationale. Therefore, applicants must provide a minimum of 25% match funding for their project through other match funding sources. For other types of projects, the minimum match funding will be 30%

Match Funding can come from public sector, community groups, or the private sector. Match Funding need not be all direct financial input and could take the form of in-kind support, such as land provided for the development which has been valued by an independent/external source.

Appropriate project development and management costs provided by the Applicant could also be considered as in-kind support and are eligible costs where these are based on actual salary.
costs paid or the National Living Wage and a record is kept of the number of days spent on the project.

General Local Authority or public sector agency administration, finance and property overhead costs are not eligible costs and cannot be claimed as match funding in kind or as expenditure. Only costs directly related to the delivery of the project are eligible. Project Management Costs will be restricted to 10% of the total Construction costs and can only cover the construction phase of the project.

Future revenue costs cannot be used at part of the match funding as revenue costs are not eligible project costs.

11. Is the new 75% Intervention rate open to all projects

The 75% intervention will not be automatically applied to projects. This is for projects which can demonstrate a strong strategic rationale. Awards at this level will be at the discretion of the Assessment Panel.

If you intend to apply for the 75% maximum intervention rate, then please contact your RTIF Manager for further advice

12. How will the new Design Award Grant work?

Local Authorities can apply as part of the EOI application for funding of up to a maximum of £5,000 to support strategic and collaborative projects in progressing with design and to support the planning process for their project prior to the submission of the Stage 2 application.

The Design grant is based a maximum 50% Intervention rate with the match coming from the Local Authority or partners. The requests for support will be assessed in conjunction with Architecture & Design Scotland and those approved will have the grant paid following the Stage 1 notification subject to conditions of use. The purpose is to ensure that the proposed interventions are appropriate, consistent and of good quality across a strategic project where there might be several locations involved either in route development or across a single location.

The costs incurred must be supported by Invoices and bank statements. These must be supplied before the Stage 2 deadline or the stage 2 applications will not be considered.

This funding is only available at EOI stage in the January 2020. EOI’s which are submitted after this date will not be eligible for the design grant.

The grant cannot be applied to retrospective works already completed prior to the notification of EOI approval and any costs paid under this grant will not be eligible for under the Stage 2 application.

If your project is unsuccessful or the Stage 2 application, is not submitted by the deadline or is ultimately unsuccessful in being awarded RTIF grant, VisitScotland will not reclaim the Design Grant funding as long as the invoices and bank statement have been supplied as per the terms of the Design Grant agreement.

November 2019
We will be holding 2 workshops for Local Authorities, National Park Authorities and any partners in December 2019 which will cover the Design elements and best practice as well as general information on the RTIF process. It is expected that those seeking the design grant will attend one of the workshops and priority may be given to those who have done so.

13. Can I make a charge for the facilities?

You can make a small charge for facilities to cover for cleaning, maintenance and waste disposal but you cannot use the facilities supported by the RTIF as an income source to generate funds for the community or another project. The RTIF cannot support commercial activities. You should make clear your proposed charges at the time of the application.

14. Can volunteer time be used as Match Funding for the RTIF?

Volunteer time can be used as match funding for the RTIF however timesheets must be kept for each volunteer, recording the number of hours on the project and these must all be charged at the agreed rate. This is currently set at £9.40 per hour.

15. Are legal fees and statutory planning fees eligible costs under the RTIF?

Legal fees associated with the project and statutory planning fees are eligible costs with the exception of any costs claimed under the Design Award however this is at the applicant’s own risk and the applicant must assume the cost of this if the application is unsuccessful.

16. Can pre-project fees be included as eligible costs?

Pre-contract fees such as design fees or QS fees are eligible however this is at the applicant’s own risk and the applicant must assume the cost of this if the application is unsuccessful. In kind project management costs cannot be claimed prior to the start of the project but can be claimed during the project delivery phase and you should be clear that these costs match you actual proposed construction period. Costs claimed under the Design Award cannot be claimed as part of the Stage 2 application. The costs of feasibility studies are not eligible.

17. What if the land or building that I want to use is leased rather than owned?

You can undertake work on a site that you do not own but lease, but where land is provided for a fixed period then this must be guaranteed for no less than 20 years from the completion of the works to ensure that public access is maintained. No break clauses within the 20-year period are permitted within lease agreements. You also cannot use annual lease costs as match funding or include them in the costs as these are revenue costs which are not eligible.

18. Is VAT included in the RTIF Grant award?

The Rural Tourism Infrastructure Fund Award is not subject to VAT and any Award made is inclusive of VAT if any, payable thereon. Under no circumstances will the Award be increased, should any VAT liability arise for the applicant and any third party partners. It will be the
responsibility of the applicant to ensure that their treatment of VAT relative to the Award is correct.

19. Is the RTIF Grant awarded under a De Minimis basis?

The fund is guided by European State Aid legislation and cannot support the commercial provision of Facilities. The grant cannot be awarded to individual businesses or private companies and therefore the question of De Minimis grant should not apply. It is the responsibility of the applicant to determine if there are any State Aid implications and provide an acceptable review of this at the request of the RTIF Manager or the Assessment Panel.

20. What is the Application Process for submissions to the RTIF?

Applications to the RTIF area being conducted under a 2-stage process. The Stage 1 Expressions of Interest assessment is based on the limited information submitted on the EOI and enables a basic eligibility check to be undertaken and some feedback to be given to applicants. The invitation to proceed to Stage 2 and submit a full application, or the awarding of a design grant, is not a guarantee that your project will be approved by the Assessment panel.

The EOI application form is currently available in Word format but there may be an electronic version available by the time of submission.

Regardless of whether applicants use the electronic or Word version, all EOIs and Stage 2 applications must be signed by a person authorised by their organisations to do so. Electronic signatures are not acceptable.

21. Do I need to submit an Expression of interest Application or can I just submit a full application?

All applicants must submit an EOI but you can do this up to 2 weeks before the Stage 2 deadline. However, the requirement for planning application submission at the time of the Stage 2 deadline will still be enforced and we would strongly advise applicants to seek guidance from the RTIF Team as soon as possible before submitting an EOI application.

The EOI form has been designed to be as brief as possible to enable the RTIF team to give you rapid feedback on your project so that you do not incur costs etc. unnecessarily. The RTIF team is there to assist you with any queries pre-application and you should contact the team at RTIF@visitscotland.com to discuss your project.

22. Who will be on the Assessment panel for the RTIF?

VisitScotland administers the Rural Tourism Infrastructure Fund on behalf of the Scottish Government. An independent Assessment Panel scores the Stage 2 applications in detail according to the agreed criteria and approves the final selection of projects. The panel consists of representatives of Scottish Government, Scottish Enterprise, Highlands & Islands Enterprise, COSLA, Scottish Natural Heritage, Architecture and Design Scotland as well as VisitScotland.
23. **What criteria will be used in the Assessment process?**

The Rural Tourism Infrastructure Fund is designed to support sustainable, well planned, inspiring and collaborative infrastructure projects in rural areas that are experiencing or may experience pressures as a result of increased visitor numbers. Applications must show a strong emphasis on quality and sustainable development practices and a fit with a local tourism plan or regional tourism strategy.

The Assessment Panel will assess and score projects against the following criteria:

- **An Existing or anticipated Visitor Pressure Point** – As a result of an increase in visitors, there is a visitor and or community pressure point which needs to be addressed. This includes anticipated visitor pressure point arising from future growth in the defined sectors. The applicant should provide evidence of the increase in visitor numbers or anticipated impact of visitor number and/or evidence of the impact of visitors on the local area. The applicant should provide a strategic context for the project and evidence to support this.

- **An enhanced visitor experience** – through the provision of improved visitor facilities and infrastructure, particularly in areas that have experienced pressure from increased visitor numbers, leading to a positive impact on the local landscape and visitor economy. Please demonstrate how you project will accommodate visitors with a wide variety of access needs and how the project complies with and where possible exceeds the requirements of the Equality Act.

- **A sustainable approach** – applicants are expected to take a sustainable approach to the planning, design and management of the infrastructure provision. Applicants should provide details on how their project will contribute to the reduction/mitigation of climate change and support the transition to a low carbon society i.e. through the use of low carbon materials, energy efficiency, promotion of low carbon transport, renewable energy and waste management in construction and maintenance of the facilities.

- **Community capacity building** – creating more resilient communities more able to cope with peak tourism demands and the creation of new local business opportunities.

- **Effective partnerships and collaboration** – You must evidence engagement with local community groups, destination organisations and tourism businesses, demonstrating how partnership working can increase awareness, advocacy and the quality of the final project.

- **Project viability and deliverability** – applicants must provide evidence of:
  - Proven experience of project management and financial administration
  - A clear timetable for permissions, procurement, site start date and expected time of completion
  - A clear delivery plan demonstrating value for money and measurable outputs
  - Detailed costs and a budget forecast for the period of the project

**Priority may be given to applications which can demonstrate:**

1. *That the project is part of a strategic development plan for a location or sector*
2. *That they are sustainable, innovative, integrated projects which resolve both an immediate visitor pressure point but take account of wider area pressures*
3. *Projects which have a higher level of match funding.*
24. **What is the timescale for decisions?**

The timescale for Round 3 of the RTIF is outlined below.

<table>
<thead>
<tr>
<th>Round 3</th>
<th>Deadlines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call Opens for Round 3 Expressions of Interest</td>
<td>Monday 11th November 2019</td>
</tr>
<tr>
<td>Information workshops with Local Authorities and Partners</td>
<td>Week Beg 9th December 2019</td>
</tr>
<tr>
<td>Expression of interest deadline</td>
<td>Wed 22nd January 2020</td>
</tr>
<tr>
<td>Feedback completed with VS comments</td>
<td>Friday 14th February 2020</td>
</tr>
<tr>
<td>Last date for the submission of EOI</td>
<td>Friday 26th June 2020</td>
</tr>
<tr>
<td>Stage 2 Application deadline</td>
<td>Friday 10th July 2020</td>
</tr>
<tr>
<td>Assessment Panel Meeting</td>
<td>Thursday 27th August 2020</td>
</tr>
<tr>
<td>Advise applicants of outcome</td>
<td>Tuesday 15th September 2020</td>
</tr>
<tr>
<td>Estimated Project Start Date</td>
<td>From 1st October 2020</td>
</tr>
<tr>
<td>Project Completion Date</td>
<td>30th September 2021</td>
</tr>
<tr>
<td>Submission of Final Claims</td>
<td>31st October 2021</td>
</tr>
</tbody>
</table>

25. **Can I start my project while I am waiting to hear the outcome of the Assessment panel?**

No grants will be awarded retrospectively. Applicants must ensure no on-site activity commences prior to the RTIF Grant Agreement being signed. This does not include pre-contract costs such as survey or design work etc.

26. **How will the grant award be paid?**

50% of the RTIF grant award will be paid on the completion of the contract agreement process with the Applicant. A further 40% of the grant award will be paid on certification that the project has spent 50% of the agreed project costs and the submission of an Interim Claim form. The final 10% will be paid on completion of the project and receipt of the Final Claim Monitoring and Evaluation report.

Payments can only be made to the project applicant which will be the Local Authority or National Park Authority who will then be responsible for onward payments to delivery agents.
27. **What happens if the project overspends?**

The RTIF cannot make up the difference in costs should you overspend on the project costs. Any award made is a maximum amount and cannot be increased later. You must ensure that you have a reasonable level of contingencies within your budget to allow for unforeseen problems during the project.

28. **What happens if my project underspends?**

The RTIF will not pay you more than the agreed Intervention rate in your Grant Agreement. If your projects underspends, then you will only be entitled to your actual expenditure costs x the agreed intervention rate. This may mean that you might have to repay any grant already paid.

29. **How long do Applicants have to claim the grant award?**

The 3rd round of the RTIF runs until 30\textsuperscript{th} September 2021. The final claim for projects should be submitted within 1 month of the completion of the project and all documentation must be submitted no later than the agreed longstop date.

30. **What evidence is needed to demonstrate project benefits/outcomes?**

Ideally, follow-up survey work should be undertaken of both community and visitors to determine improved visitor and community satisfaction. This will be particularly useful if you were able to provide a pre project survey which would enable comparison between the before and after picture. Photographic evidence of the project site before and on completion of the project or reports demonstrating a reduced impact on the environment would be desirable. The impact on local businesses in terms of improved business performance Inc. any new business start-ups should be supplied if appropriate.

31. **How will my project be monitored by VisitScotland?**

All projects will receive a monitoring visit on, at least, one payment point throughout the period of the contract. All supporting documentation, including pre project design, project costs and procurement must be retained and made available to the RTIF team at the time of the visit.