

## UK Shared Prosperity Fund - Sunderland Call for Projects

*Supporting Local Business: Boosting local enterprise, entrepreneurship and innovation, and transitioning towards a net-zero low carbon economy*

Call reference	Sun/UKSPF/C3.0
Call published	Monday 12 June 2023
Call deadline	11.59pm, Friday 14 July 2023
Please submit your Business Case as early as possible to <a href="mailto:ukspf@sunderland.gov.uk">ukspf@sunderland.gov.uk</a>	
Business Cases submitted after the published deadline of Friday 14 July 2023 will not be considered.	
Latest information and guidance on UKSPF in Sunderland: <a href="#">UK Shared Prosperity Fund (UKSPF) in Sunderland - Sunderland City Council</a>	

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## 1. Privacy Notice

A separate Privacy Notice has been published in relation to this Call for Projects. This explains your rights and gives you the information you are entitled to under the Data Protection Act 2018. Please consult this prior to submitting your Business Case.

## 2. Introduction

The UK Shared Prosperity Fund (UKSPF) Prospectus was published by government in April 2022. The Prospectus provided detailed information on the objectives of the Fund, the types of projects it could support and the expected outputs and outcomes to be achieved. The full Prospectus is available on the GOV.UK [UK Shared Prosperity Fund: prospectus](#) webpage.

Sunderland City Council (the council) was designated as a Lead Authority by the UK government. As a Lead Authority, the council is responsible for the development, administration and management of UKSPF in Sunderland, which includes identifying priorities for intervention within the city through UKSPF, assessing and approving projects, processing payments, monitoring and evaluation.

In response to the government's announcement, the council submitted Sunderland's Investment Plan to Government in July 2022, following a period of engagement and consultation with public, private and voluntary sector partners across the city and region. Sunderland's UKSPF Investment Plan Executive Summary, and a copy of the Evidence Base submitted as part of the Investment Plan, are available on the Council's UKSPF webpage [UKSPF guidance and resources - Sunderland City Council](#). The approval of Sunderland's Investment Plan was confirmed by government in December 2022, enabling a total of £14,936,161 UKSPF grant to be invested over three financial years from 2022/23 to 2024/25.

**This call document summarises the strategic objective which has been prioritised for this first targeted Supporting Local Business Call for Projects. Applicants should familiarise themselves with the contents of the Investment Plan – Executive Summary and Evidence Base – before preparing a Business Case. The call document also summarises the scale of projects which are requested, eligibility of lead applicants and delivery partners, and expected monitoring and evaluation requirements for successful projects. It sets out the submission requirements, deadline and assessment criteria, including the key guidance that applicants must refer to when developing a Business Case.**

With this call the council is seeking project activities that align with the Sunderland City Plan and address the challenges and opportunities set out in Sunderland's UKSPF Investment Plan for the Supporting Local Business investment priority.

### 3. Background

The UKSPF will support the UK government's wider commitment to level up all parts of the UK by delivering on each of the levelling up objectives, namely to:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
- Spread opportunities and improve public services, especially in those places where they are weakest
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost
- Empower local leaders and communities, especially in those places lacking local agency.

The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. This aligns with the Levelling Up White Paper missions<sup>1</sup>, particularly: 'By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.'

Under the **overarching aim of building pride in place and increasing life chances**, there are three UKSPF investment priorities:

- **Communities and Place**
- **Supporting Local Business**
- **People and Skills** (which includes the Multiply Programme)

Government published the prospectus and guidance on the Multiply adult numeracy programme at the same time as the UKSPF programme, but requested that a separate Investment Plan be submitted to the Department for Education. The Multiply Investment Plan was approved by government in September 2022. Further information on Sunderland's programme is available on the Sunderland UKSPF webpage available here: [Multiply - Sunderland City Council](#).

### 4. Call timetable and duration of projects

Project applicants are asked to contact the Lead Authority team by email at [ukspf@sunderland.gov.uk](mailto:ukspf@sunderland.gov.uk) before commencing the preparation of a Business Case. This will ensure that we are aware of the proposals likely to be submitted and so that we can provide potential applicants with appropriate advice and guidance, and any further updates on guidance from both the government and the Lead Authority.

Project activities should aim to finish and be financially complete by 31 March 2025. The Lead Authority reserves the right to vary the minimum and maximum duration of projects during the UKSPF funding period which currently ends in March 2025.

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<sup>1</sup> [Levelling Up the United Kingdom - GOV.UK \(www.gov.uk\)](https://www.gov.uk/levelling-up-the-united-kingdom)

The call is primarily seeking activity to commence from 1 July 2023. In some cases, where eligible activity and costs have been incurred by the lead applicant or delivery partners since 1 April 2023, and where projects can meet UKSPF assurance, monitoring and evaluation conditions, retrospective support may be applied for. Any applicants considering this – whether in relation to match funding, or in relation to drawing down UKSPF resources for this period - should contact the Lead Authority prior to submitting their Business Case.

Projects approved through this call will normally be expected to:

- Commence delivery (defraying UKSPF eligible costs) within two months of formal approval
- Complete their project activities and defray all eligible UKSPF expenditure by 31 March 2025 or earlier based on the terms and conditions of the Funding Agreement and the approved delivery milestones
- Submit their final project financial claim and external evaluation report by 31 March 2025 unless advised otherwise by the Lead Authority.

Applicants are asked to note that approved projects will be subject to ongoing monitoring to ensure project delivery and performance are progressing as planned.

## 5. Strategic context

Sunderland's UKSPF Investment Plan seeks to use UKSPF to identify and bring forward priority interventions for support to maximise outcomes for its residents, communities, and businesses. Where available, applicant organisations and partnerships are encouraged to identify co-funding that will add value to projects.

Sunderland has an ambitious City Plan 2023-2035 that sets out the longer term vision for Sunderland to be 'a connected, international city with opportunities for all.'

The City Plan provides the blueprint for all partners and communities to work together, to achieve ambitions for Sunderland so that the city and its people can achieve their full potential.

Ambitions include ensuring:

- The city and its residents have the resilience to mitigate ongoing challenges, including the cost-of living crisis, and emerge in a healthy and sustainable position
- Sunderland offers the opportunities that families and individuals need to achieve their ambitions
- Families are resilient and resourceful to respond to challenges and achieve the best possible outcomes for their children
- Health and wellbeing outcomes are significantly improved
- Sunderland City Centre will drive city-wide transformational economic growth with Riverside Sunderland demonstrating clearly our investment ambition
- Residents' skills and qualifications enable them to secure good jobs matching the needs of employers in the city's key sectors

- Sunderland will play its role in tackling the global challenge of climate change, working together across the city to be carbon neutral by 2040

In working to deliver on these ambitions, the City Plan is focused on our bold and ambitious vision to create a connected, international city with opportunities for all.

To achieve this, the City Plan has three themes:

- Sunderland will be a dynamic smart city with more and better jobs, a low-carbon economy and a great choice of housing. It will be a leading digital city, deploying smart and sustainable technologies for the benefit of residents, businesses and visitors;
- it will be a healthy smart city where people will live healthier, independent lives for longer. It will be a clean and attractive city with great transport and travel links; and
- it will be a vibrant smart city with more resilient people feeling safe in their homes and neighbourhoods. There will be a range of opportunities for people to participate in their communities and in cultural events and activities

The city's people and communities are at the heart of the City Plan, which is already being delivered, at pace, with significant investment and developments recently announced, with more to come.

We encourage applicants to consider strategic alignment with the following local and regional priorities:

- Sunderland City Plan available on the Sunderland GOV.UK [City Plan - Sunderland City Council](#) webpage.
- Sunderland Community Wealth Building Delivery Plan available on the Sunderland GOV.UK [Community Wealth Building](#) webpage.
- Sunderland's Smart City Ambition available on the Sunderland GOV.UK [Welcome to Our Smart City of Sunderland](#) webpage. The council will also be publishing its Digital Inclusion Strategy on [Go Online Sunderland - Sunderland City Council](#).
- Sunderland's Low Carbon Framework available on the Sunderland GOV.UK [Low Carbon - Sunderland City Council](#) webpage.
- Sunderland's Neighbourhood Investment Plans available on the Sunderland GOV.UK [Neighbourhood Investment Plans](#) webpage.
- Sunderland's Healthy City Plan 2020-2030 available on the Sunderland GOV.UK [Sunderland Healthy City Plan](#) webpage.
- North East Strategic Economic Plan available on the NELEP [The Plan - North East Local Enterprise Partnership](#) webpage.

## 6. Scope of this call

UKSPF resource to support delivery of the Supporting Local Business investment priority will commence in year 2 of the programme (2023/24), with the balance of funding under this priority being available in year 3 (2024/25). **Under this Call for Projects, we are seeking innovative and collaborative project activities which address key priorities within the Sunderland economy, build on good practice, and demonstrate an ability to understand the needs of all business types and entrepreneurs - ranging from established businesses wanting to diversify, innovate and grow to those individuals starting out on their enterprise journey.**

Business Cases should set out how they will deliver against the UKSPF Supporting Local Business investment priority, as well as supporting delivery of the overarching City Plan vision and themes, by identifying interventions and activities that can be delivered between July 2023 and March 2025.

The indicative allocation for this call is approximately £3,000,000. The amount allocated will depend on the quality, sustainability and deliverability of project activities seeking support and the contribution that these measures can make to the Investment Plan's outputs and outcomes.

**Applicants should note that revenue funding is available under all identified priority interventions, with only a limited amount of capital funding available under intervention E23.**

The table below sets out the priority interventions, challenges, opportunities and activities under strategic objective 2 (Supporting Local Business) of Sunderland's UKSPF investment plan. The activities listed are not exhaustive and we encourage new project ideas and innovative partnership approaches. We are also seeking projects that have a strong focus on face-to-face support but will consider a blended delivery model of in-person and digital support where this meets individual needs.

All Business Cases submitted by applicants will be required to explain clearly and concisely how project activities will be delivered and what local outputs and outcomes will be achieved.

Consideration when assessing applications will also be given to other funds that may be available to support activities, as well as to activities that are already planned or currently being delivered within the city. It will be important to provide a strong rationale and evidence base as part of the Business Case submission to show how the activities proposed are additional and complementary to other types of business support available locally, regionally and nationally.

**It should be noted that through this specific call for projects we are not seeking to support any large-scale grant projects. Separate allocations are being progressed through a joint regional approach to develop a Business Growth Grant scheme. Similarly, a collaborative approach is being progressed to support delivery of UKSPF outputs and outcomes through the North East Screen Industries Partnership and delivery of a Business Intellectual Property service. At a local level, proposals are being developed to deliver key**

**UKSPF low carbon outputs and outcomes through a capital focused business and community decarbonisation programme. Business Case proposals should therefore seek to avoid any duplication with these four priorities.**

<b>Investment Priority</b>	<b>Investment Priority 2: Supporting Local Business</b>
<b>Strategic Objective 2</b>	<b>Boosting local enterprise, entrepreneurship and innovation, and transitioning towards a net-zero low carbon economy</b>
<b>Priority Interventions</b>	<ul style="list-style-type: none"> <li>• E19: Increasing investment in research and development at the local level. Investment to support the diffusion of innovation knowledge and activities. Support the commercialisation of ideas, encouraging collaboration and accelerating the path to market so that more ideas translate into industrial and commercial practices <b>(revenue funding)</b>.</li> <li>• E23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks <b>(revenue and capital funding)</b>.</li> <li>• E24: Funding for new and improvements to existing training hubs, business support offers, ‘incubators’ and ‘accelerators’ for local enterprise (including social enterprise) which can support entrepreneurs and start-ups through the early stages of development and growth by offering a combination of services including account management, advice, resources, training, coaching, mentorship and access to workspace <b>(revenue funding)</b>.</li> <li>• E26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises <b>(revenue funding)</b>.</li> </ul>
<b>Challenges and opportunities</b>	<p>Sunderland’s UKSPF Investment Plan provided an assessment of the local challenges and opportunities that we are seeking to address using UKSPF and other resources. These are closely aligned to the Dynamic Smart City priority of the Sunderland City Plan.</p> <p>For a more detailed overview, please refer to the Supporting Local Business – Evidence Base Review document. A summary of key challenges is provided below.</p> <ul style="list-style-type: none"> <li>• Continuing to diversify the economic base - Whilst Sunderland’s traditional industries of coal mining and ship building have been replaced by advanced manufacturing and business services, the area still has a relatively narrow industrial base and the existing base needs to continue to evolve and adapt (e.g., for advanced manufacturing to decarbonisation, electrification and digitisation). This is, in part, because Sunderland has been more successful in attracting inward investors than supporting indigenous businesses to grow, as evident from the relatively low numbers of business start-ups in the area.</li> <li>• Promoting a start-up culture and closing the enterprise gap - The area has relatively low self-employment rates compared to the national average. Business birth rates and business stock are also</li> </ul>



	<p>comparatively low and even lower in the most deprived wards of Sunderland. Of the 124,900 people in employment in the city Jan to Dec 21, 7.7% of the total working age population (economically active and inactive) were in self-employment, compared to a national average of 9.3% (NOMIS/ONS Annual Population Survey).</p> <ul style="list-style-type: none"> <li>• Improving business survival rates by creating a stronger local enterprise ecosystem - Business survival rates over a 5-year timeframe from 2015-2019 were also lower in Sunderland (37.1%) and South Tyneside (31.5%) than the Tyne and Wear (37.4%) and North East (38.3%) averages (ONS Business Demography Data, 2021).</li> <li>• Ensuring that all population groups have access to the best advice, support and resources to start up a business. There is a complex pattern of enterprise activity among different population groups. For example, self-employment rates among women have been increasing but remain well below the average rates for males at both a local and national level. Self-employment rates for young people are also low compared to the overall population and are particularly low within the most deprived areas of the city. By contrast, self-employment rates among people from BME backgrounds are higher than the average.</li> </ul>
<p><b>Eligible activities</b></p>	<p>Activities which could be supported may include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Local interventions to address low levels of enterprise activity, including start-up and social enterprise development.</li> <li>• Supporting established enterprises with resilience and growth, including innovative solutions to economic, social and environmental challenges, such as low carbon, climate mitigation and adaptation, digital adoption and exclusion, health and ageing.</li> <li>• Strengthening local entrepreneurial ecosystems and connecting businesses to wider support on, for example, innovation, trade, exporting, skills and productivity.</li> <li>• Support for new activities, including information, guidance, specialist support and access to financial assistance.</li> <li>• Raising awareness of enterprise as a viable alternative economic activity across the wider population, and especially among graduates and younger people.</li> <li>• Forming local peer-to-peer networking/support and learning to improve sharing of best practice.</li> <li>• Sector focused initiatives focused on innovation, skills, productivity and growth.</li> <li>• Activities that build on Sunderland’s ‘Social Enterprise City’ status and the ambitions of the Community Wealth Building Strategy, including exploring alternative service delivery models and future market opportunities that will emerge for the VCSE sector.</li> <li>• Support schemes for local people looking to set up a new co-operative business.</li> <li>• Development of evidence-based regional entrepreneurial support, led by entrepreneurs, risk capital providers, corporates, academia and government.</li> </ul>

	<ul style="list-style-type: none"> <li>• Small-scale grants for local organisations to support with business growth, process / service / product development and commercialisation.</li> <li>• Support for the development of sector clusters and high growth ecosystems.</li> <li>• Support to establish new local business accelerator/growth programmes.</li> <li>• Funding to support local business growth offers where this complements existing or planned provision.</li> </ul>
<b>Impact - what difference do we want UKSPF activity to make</b>	<p>Through this Call for Projects, we want project activities to have the following impacts:</p> <ul style="list-style-type: none"> <li>• Grow the business base, including existing businesses, start-ups, and social enterprise, creating new jobs and increasing prosperity</li> <li>• Enhance economic resilience by supporting businesses to diversify into new markets, supply chains, and geographies</li> <li>• Improve business productivity</li> <li>• Boost R&amp;D investment and innovation activity</li> <li>• Support the city's wider net zero ambitions</li> </ul>

## 7. Guidance on monitoring, reporting and evaluation

### Outcomes and outputs

Applicants will need to demonstrate how the eligible activity, funded by UKSPF, will deliver and achieve appropriate Supporting Local Business outputs and outcomes as defined within the UKSPF Interventions, Objectives, Outputs and Outcomes Guidance which is available on the [GOV.UK Interventions, Objectives, Outcomes and Outputs – England](#) webpage.

Under this call, successful applicants will be required to record outputs and outcomes associated primarily with priority interventions E19, E23, E24 and E26. Applicants may also consider how their project activities could contribute to other local business outputs and outcomes under other interventions where these are appropriate, add value, and do not duplicate existing funded provision.

The full range of outputs and outcomes associated with the Supporting Local Business investment priority are listed in Annex B – Outputs and Outcomes – which applicants should complete as part of their Business Case submission. Project applicants will not be required to deliver against all outputs and outcomes listed.

The outputs and outcomes associated with the priority interventions E19, E23, E24 and E26 are listed below for reference purposes.

**E19: Increasing investment in research and development at the local level. Investment to support the diffusion of innovation knowledge and activities. Support the commercialisation of ideas, encouraging collaboration and accelerating the path to market so that more ideas translate into industrial and commercial practices.**

<b>REF NO</b>	<b>OUTPUTS</b>
48	Number of enterprises receiving financial support other than grants
55	Number of enterprises receiving grants
56	Number of enterprises receiving non-financial support
62	Number of potential entrepreneurs provided assistance to be enterprise ready
<b>REF NO</b>	<b>OUTCOMES</b>
101	Estimated Carbon dioxide equivalent reductions as a result of support
145	Increased amount of low or zero carbon energy infrastructure installed
153	Number of enterprises adopting new to the firm technologies or processes
156	Number of enterprises with improved productivity
159	Number of new enterprises created as a result of support
160	Number of new to market products
161	Number of organisations engaged in new knowledge transfer activity

**E23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.**

<b>REF NO</b>	<b>OUTPUTS</b>
48	Number of enterprises receiving financial support other than grants
55	Number of enterprises receiving grants
56	Number of enterprises receiving non-financial support
62	Number of potential entrepreneurs provided assistance to be enterprise ready
<b>REF NO</b>	<b>OUTCOMES</b>
115	Jobs created as a result of support
116	Jobs safeguarded as a result of support
153	Number of enterprises adopting new to the firm technologies or processes
154	Number of enterprises engaged in new markets
156	Number of enterprises with improved productivity
159	Number of new enterprises created as a result of support

**E24: Funding for new and improvements to existing training hubs, business support offers, ‘incubators’ and ‘accelerators’ for local enterprise (including social enterprise) which can support entrepreneurs and start-ups through the early stages of development and growth by offering a combination of services including account management, advice, resources, training, coaching, mentorship and access to workspace.**

REF NO	OUTPUTS
48	Number of enterprises receiving financial support other than grants
55	Number of enterprises receiving grants
56	Number of enterprises receiving non-financial support
62	Number of potential entrepreneurs provided assistance to be enterprise ready
REF NO	OUTCOMES
115	Jobs created as a result of support
116	Jobs safeguarded as a result of support
144	Increased amount of investment
153	Number of enterprises adopting new to the firm technologies or processes
158	Number of early stage enterprises which increase their revenue following support
159	Number of new enterprises created as a result of support
161	Number of organisations engaged in new knowledge transfer activity

**E26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises.**

REF NO	OUTPUTS
48	Number of enterprises receiving financial support other than grants
55	Number of enterprises receiving grants
56	Number of enterprises receiving non-financial support
60	Number of people attending training sessions
62	Number of potential entrepreneurs provided assistance to be enterprise ready
REF NO	OUTCOMES
115	Jobs created as a result of support
116	Jobs safeguarded as a result of support
144	Increased amount of investment
154	Number of enterprises engaged in new markets
159	Number of new enterprises created as a result of support

**Wider interventions**

Key outputs and outcomes associated with E29 below are expected to be delivered through the capital focused business and community decarbonisation programme. However, applicants are encouraged to consider how their project proposal could also contribute, for example through the development and delivery of decarbonisation plans.

E29: Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods and services to take advantage of the growing global opportunity.

<b>REF NO</b>	<b>OUTPUTS</b>
<b>48</b>	Number of enterprises receiving financial support other than grants
<b>49</b>	Amount of low or zero carbon energy infrastructure completed
<b>50</b>	Number of low or zero carbon energy infrastructure installed
<b>55</b>	Number of enterprises receiving grants
<b>56</b>	Number of enterprises receiving non-financial support
<b>58</b>	Number of decarbonisation plans developed as a result of support
<b>62</b>	Number of potential entrepreneurs provided assistance to be enterprise ready
<b>REF NO</b>	<b>OUTCOMES</b>
<b>101</b>	Estimated Carbon dioxide equivalent reductions as a result of support
<b>115</b>	Jobs created as a result of support
<b>116</b>	Jobs safeguarded as a result of support
<b>153</b>	Number of enterprises adopting new to the firm technologies or processes
<b>159</b>	Number of new enterprises created as a result of support
<b>162</b>	Premises with improved digital connectivity as a result of support

In preparing the Business Case, applicants are asked to refer to:

- The UKSPF Interventions, Objectives, Outputs and Outcomes Guidance which is available on the [GOV.UK Interventions, Objectives, Outcomes and Outputs – England](#) webpage or the Council’s UKSPF webpage.
- Sunderland’s UKSPF Investment Plan – Executive Summary.
- Sunderland’s UKSPF Investment Plan – Evidence Base review.
- The Sunderland City Plan and wider local and regional documents listed in section 5.

Indicative outputs and outcomes for Sunderland’s Investment Plan as a whole, including those relevant to this targeted Call for Projects, are listed in Annex B (Outcomes and Outputs Template) which must be completed and submitted with the Full Business Case. Projects should seek to commence delivery and expenditure from July 2023 onwards, and demonstrate an ability to meet UKSPF monitoring and evaluation requirements.

Guidance on outputs and outcomes is available on Sunderland’s UKSPF programme webpage available at [UKSPF guidance and resources - Sunderland City Council](#) and [UK Shared Prosperity Fund: outputs and outcomes definitions \(2\) - GOV.UK \(www.gov.uk\)](#) It is important that each lead applicant and their delivery partners carefully read and understand the full definitions and monitoring requirements for evidencing outputs and outcomes. As part of the assessment process, the Lead Authority may seek additional assurance on deliverability of the forecast outcomes and outputs against each relevant intervention, including how they have been calculated.

## **Monitoring, reporting and evaluation**

Monitoring, reporting and evaluation requirements will be included in the terms and conditions of the Project Grant Funding Agreement. Approval of contracted outputs and outcomes will be agreed between the council and the successful applicant(s) and may be subject to the publication of further government guidance.

Successful projects will be required to participate in project and programme level evaluations as required by the Sunderland UKSPF programme. As well as collecting 'core' UKSPF output and outcome information, lead applicants and their delivery partners will also be required to maintain their own monitoring information system to capture progress, outputs and outcomes in a comprehensive and systematic way. This must meet UKSPF monitoring requirements and capture important project information and data that will be used to evaluate direct benefits to participants/beneficiaries as well as the wider impacts of the programme. Lead applicants will be required to incorporate external evaluation costs into their budget proposal.

The monitoring information for each participant should be collected via an agreed **Business Support Registration Form** which should contain all relevant information for UKSPF purposes, including the protected characteristics as outlined in the Equality Act 2010. It will be the responsibility of the lead applicant to ensure monitoring information is complete for every participant/beneficiary, including at the start of the project, during delivery and when participants/beneficiaries exit from the project's support. Alongside the Business Support Registration Form we would also expect delivery organisations to monitor and review the enterprise journey through a consistent **Business Support Plan**, or similar, which records outcomes and progression, and meets UKSPF evidence and reporting requirements.

## **Quarterly monitoring arrangements**

UKSPF grant will be paid to applicants quarterly in arrears and expenditure must be defrayed prior to the submission of all grant claims to the Lead Authority. Applicants will be asked to demonstrate how they are able to cash flow the project. By exception projects may be considered for monthly claims, in arrears, or alternative arrangements, however this must be requested at the time the Grant Funding Agreement is being prepared, and satisfactory evidence of need for this arrangement provided.

Once a complete claim is received against eligible expenditure as described in the Business Case, the council will pay the grant to projects based on the project intervention rate. Claims will be paid when:

- A fully completed claim form has been approved by the council together with supporting information (including a detailed transaction list from which information will be sampled and evidence of defrayment required).
- Any project specific funding conditions have been complied with.
- Financial, output, milestone, risk and progress information has been provided in the quarterly monitoring return and progress report.

Claims will be due 15 days following the quarter end. For example, a Quarter 2 July-September 2023 claim will be due by 15 October 2023.

## 8. Assessment criteria

Applicants must fully complete the Business Case Template which will be assessed by the Lead Authority against the criteria in the Assessment Framework (based on the HM Treasury Green Book 5 case model) which covers the following key areas: Strategic Fit; Value for Money; and Deliverability. As part of the assessment process, the Lead Authority may seek additional clarifications and modifications on other aspects of the Business Case as required, including to ensure overall alignment with and delivery of the Investment Plan's outputs and outcomes.

### **Project scale**

UKSPF investment overall is intended to have a significant impact on communities, businesses, pride in place and increasing life chances, with appropriate scale and impact.

Lead applicants and delivery partner organisations are encouraged to work together to maximise impact, innovation and deliverability through a coordinated and collaborative partnership-led approach. For this reason, and to ensure that Supporting Local Business project activities are of sufficient scale and quality to have a significant and sustainable impact in relation to the city's strategic objectives, we have proposed an indicative minimum application level of £250,000. This position is subject to review by the Lead Authority. We would encourage organisations to work in partnership to develop a larger delivery consortium where appropriate.

### **Delivery geography**

Project delivery should benefit all of the Sunderland local authority area. UKSPF provision should be easily accessible to target businesses, eligible VCSE organisations and individual entrepreneurs from key business and community locations, including in the most deprived areas across the local authority area.

### **Match funding**

Match funding is not a requirement of UKSPF. However, applicants are encouraged to include detail on the potential for adding value through leverage of other funding to enable us to maximise the impact of the city's UKSPF allocation.

### **Partnership working**

Organisations are actively encouraged to work in partnership when developing Business Cases, rather than working in isolation and not engaging other local organisations or stakeholders. All applicants are encouraged to contact the Lead Authority to share project ideas at the earliest stage of development to enable introductions to be made where appropriate to facilitate this way of working.

### **Capacity, capabilities, and deliverability**

Priority for support will be given to high quality projects led by and / or delivered by organisations and partnerships with the right blend of experience, capabilities and capacity to deliver activities on time, to budget and which will achieve strong and sustainable outcomes for the city. Where appropriate, organisations and partnerships must therefore be able to demonstrate a solid track record of delivery and achievement of outputs and outcomes, with robust governance and project management systems in place.

Once the Full Assessment of submitted Business Cases have been drafted, they will be reviewed by the Sunderland UKSPF Investment Panel and then considered by the Council's Chief Officer Group. Only those projects that the Lead Authority and Investment Panel agree should proceed will be approved. Feedback will be provided to unsuccessful applicants or where applications have been deferred (for example, because of lack of resources). There will be no appeals process.

## **9. Eligibility rules and guidance**

Under this Call for Projects the following organisation types are eligible to apply for funding.

These include:

- Voluntary and community organisations
- Not for Profit organisations
- Registered charities
- Higher and Further Education Institutions
- Statutory and non-statutory public funded organisations/bodies
- Private sector organisations.

Additional due diligence checks may also be undertaken at the Full Business Case stage by the Lead Authority.

Applicants must be legally constituted at the point of submitting a Full Business Case. If successful at the Full Business Case stage, the lead applicant organisation will enter into a legally binding Grant Funding Agreement and therefore will carry the liability for ensuring that the terms and conditions of the Funding Agreement are met.

Where there is more than one organisation applying for support on behalf of a partnership, a lead organisation must be selected to become the lead applicant (and grant recipient) with the other organisation(s) acting as delivery partner(s). In this situation the lead applicant would be responsible and liable for the delivery partner(s) and ensuring the project is operating compliantly. The lead applicant would also be responsible for financial management and establishing appropriate project agreements and governance arrangements with its delivery partner(s).



Once a Grant Funding Agreement has been issued it should be signed and returned within 30 days, unless agreed otherwise with the Lead Authority. Any expenditure incurred by the lead applicant or its delivery partners prior to signing a Grant Funding Agreement will be at the applicant's own risk.

During the assessment process the Lead Authority, on behalf of the City Board, will consider the applicant's and/or delivery partners' track records, both positive and negative. If the applicant and/or delivery partners have been involved in the delivery of previous grant programmes and any irregularities have been identified, the Lead Authority will expect to see what steps have been taken to ensure that the risk of further irregularities is mitigated. It is acknowledged that some organisations will be new to managing and delivering externally funded projects and will not have a track record.

UKSPF eligibility rules apply to all project expenditure, including to identified match funding. An indicative list of eligible and ineligible costs is included in the UKSPF Sunderland funding guidance available on the Sunderland UKSPF webpage: [UKSPF guidance and resources - Sunderland City Council](#)

Further support and guidance on eligibility of applicants, match funding, expenditure or activity will be available from the Lead Authority by email: [ukspf@sunderland.gov.uk](mailto:ukspf@sunderland.gov.uk).

## 10. Intervention rate and match funding

The level of UKSPF requested should be the minimum for the project to proceed, and must not be used to directly replace existing funding sources already secured over the same period of time. It must enable activity to take place that would not otherwise happen or to increase the scope, scale, duration or intensity of activity. As explained in section 8 above, while match funding is not a requirement of UKSPF, applicants are encouraged to identify other complementary funding that can be aligned to maximise the impact of the city's UKSPF resource.

Applicants will be asked to explain what other sources of funding – public, private, VCS - they have secured and/or explored to support delivery of the project. Where match funding has been identified, applicants will need to satisfy the Lead Authority that they have, or are able to put in place, eligible match funding for the full amount of costs set out in their Business Case.

## 11. Cross cutting themes - Equal opportunities, sustainable development and partnership working

Sunderland's UKSPF Investment Plan seeks to support three key cross-cutting themes as follows:

- Actively promote and implement **equal opportunities**, demonstrating a positive equalities impact. All projects supported must take account of their impact on people with protected characteristics.
- Embed **community and stakeholder engagement** in their design and delivery, showing how they will benefit and engage with target participant groups.
- Demonstrating **sustainability**, a **commitment towards net-zero** and delivering the ambitions of the city's Low Carbon Framework, with projects having at least a neutral, and preferably a positive environmental impact.

All applicants seeking support through this call will be required to complete an **Integrated Impact Assessment (Annex C)** to demonstrate how their activities will address these cross-cutting issues throughout the project's life cycle.

## 12. Subsidy control

The Subsidy Control rules relate to the use of public funding or resources to support organisations operating in an economic market (known as an “enterprise”). The decisive factor in determining whether an organisation is deemed to be an enterprise undertaking an economic activity is not the nature or legal form of the entity itself, but the nature of the activities it carries out (or intends to carry out through use of proposed public funding).

If an organisation is engaged (or to be engaged) in offering goods or services on a market, then it will be deemed to be acting as an enterprise under the Subsidy Control Rules.

Given the scope of potential projects, in some circumstances it is possible that there may be no subsidy arising because the relevant grant recipient will not be acting as an “enterprise” or will be undertaking a project pursuant to the discharge of statutory functions and/or public tasks.

In addition, it is also anticipated that some subsidies will be exempt because they can be provided as minimal financial assistance (i.e., the de minimis exception) due to the size of the proposed grant (and taking into account all other minimal financial assistance provided to the enterprise within the current and two previous financial years).

In all other circumstances where the above exceptions do not apply, project applicants will be required to apply the Subsidy Control Principles as set out in the Business Case (Question 7.7) to demonstrate that it is a lawful subsidy for review and approval by the Lead Authority.

Therefore, as part of the application process, each individual project will be required to complete the Subsidy Control question in the Business Case in order to demonstrate whether or not there is a public subsidy arising and if so, the project's compliance with the Subsidy Control Principles.

In appropriate cases, the Lead Authority reserves the right to require individual applicants to provide an external legal opinion regarding the application's compliance with the Subsidy Control rules.

The applicant's Subsidy Control submission will then be reviewed by the Lead Authority's legal advisers.

### 13. Procurement of contractors

All costs claimed by the project applicant and/or named delivery partners must be on an actual cost incurred basis.

Where the grant is to be used to procure third party contractors, all activities and costs must be incurred in compliance with the following minimum standards:

- The lead applicant (regardless of whether or not they are a contracting authority) must ensure that the procurement of all contractors is transparent and demonstrates value for money.
- Where the lead applicant is a contracting authority, they must ensure that all procurement activity complies with Public Procurement Law (currently contained in the Public Contracts Regulations 2015).
- Where the lead applicant is not a contracting authority, they must comply with the minimum procurement procedures as set out below.
- Compliance with all other applicable laws to the activity undertaken, including without limitation Modern Slavery Act 2015, IR35 (Intermediaries Legislation), Equality Act 2010, Subsidy Control Act 2022, etc; and
- Compliance with Fraud Risk Assessment and Due Diligence.

The procurement and appointment of all contractors to be funded by the proposed grant will be the responsibility of the lead applicant and will be subject to audit and verification. Any irregularity will result in a financial penalty of up to 100% of the grant paid.

It is strongly recommended that lead project applicants review their own procurement procedures, prior to submitting a Business Case, to ensure they are in line with UKSPF guidance available on the Government's UKSPF webpage [UK Shared Prosperity Fund: procurement \(8\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/uk-shared-prosperity-fund-procurement-8).

Grant recipients should also consider and implement wherever possible:

- sustainability and green measures in procurement plans, aligned with the government's net zero strategy;
- innovative procurement, including the factoring in of social value into procurement; and

- government initiatives, guidance and policy such as the Sourcing and Consultancy Playbooks, Construction Playbook, the Outsourcing Playbook and government guidance on Resolution Planning.

For those project applicants which are not contracting authorities (e.g., third sector organisations), compliance with the minimum procurement procedures is required.

#### Minimum Procurement Procedure for Non-Contracting Authorities

<b>Value of contract</b>	<b>Minimum procedure</b>
£0 - £2,499	Direct award provided value for money has been considered
£2,500 - £24,999	3 written quotes or prices sought from suitable suppliers of goods, works and / or services
Over £25,000	Formal tender process

## 14. Branding and publicity

Applicants should review the Sunderland UKSPF branding and publicity guidance prior to submitting applications. They will be required to confirm that they will adhere to this guidance as part of the delivery of any UKSPF project.

## 15. Further information and support

Please consult the Sunderland GOV.UK [UK Shared Prosperity Fund \(UKSPF\) in Sunderland](#) webpage for the following application and guidance documents in relation to this targeted Call for Projects:

- Executive Summary of the Sunderland UKSPF Investment Plan
- Sunderland UKSPF Investment Plan - Evidence Base Review on Supporting Local Business
- Full Business Case Template
- Annex A – Finance Profile Template (project costs and funding)
- Annex B – Outputs and Outcomes Template
- Annex C – Integrated Impact Assessment
- Sunderland UKSPF Funding Guidance
- Sunderland UKSPF Assessment Framework

- Integrated Impact Assessment Guidance
- Sunderland UKSPF Branding and Publicity Guidance

Applicants may also wish to consult additional government guidance on UKSPF, available on the [UK Shared Prosperity Fund: additional information - GOV.UK \(www.gov.uk\)](#) webpage, including:

- UKSPF Prospectus
- Outputs and Outcomes Definitions
- Reporting and Performance Management
- Monitoring and Evaluation
- Assurance and Risk
- Branding and Publicity
- Subsidy Control
- Procurement
- Equalities

For further information, guidance or technical assistance queries, please email [ukspf@sunderland.gov.uk](mailto:ukspf@sunderland.gov.uk).

## 16. Plans for future calls

A further targeted call for projects (and/or commissioning proposals) is being developed for the People and Skills investment priority. This will focus on workforce development and sector skills priorities for businesses and organisations and the outputs and outcomes directly associated with this investment priority.

This future call will support delivery of Strategic Objective 3.2 of Sunderland's Investment Plan 'Improving skills to progress in work and responding to local skills needs.' The call is likely to be published in summer 2023/24 for delivery in 2023/24 and 2024/25.

All future calls will continue to be published on the Sunderland GOV.UK [UK Shared Prosperity Fund \(UKSPF\) in Sunderland](#) webpage.

## 17. Document submission

Full Business Cases must be submitted using the Sunderland UKSPF Full Business Case Template, which is available on the Sunderland GOV.UK [UK Shared Prosperity Fund \(UKSPF\) in Sunderland](#) webpage.

An organisation or partnership may submit or be involved in more than one project application. A separate Full Business Case should be used for each discrete project.

Full Business Cases should be submitted to the Lead Authority using this email address:  
[ukspf@sunderland.gov.uk](mailto:ukspf@sunderland.gov.uk)

Applicants must ensure that the following information is submitted:

- Full Business Case Template (including Annexes D-I)
  - Appropriate supporting documents including those listed in Annex G (Available Project Supporting Information) of the Full Business Case Template
- Annex A – Finance Profile Template (project costs and funding)
- Annex B – Outputs and Outcomes Template
- Annex C – Integrated Impact Assessment Template

These documents must be submitted by email to [ukspf@sunderland.gov.uk](mailto:ukspf@sunderland.gov.uk) by 11:59pm on **Friday 14 July 2023** when the Call for Projects will close.

Please submit your proposals as early as possible. Please do not hesitate to contact the team during the application development phase if you have any queries.