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**Sunderland
City Council**

UK Shared Prosperity Fund - Sunderland Call for Projects

*Improving skills to progress in work and
responding to local skills needs*

Call reference	Sun/UKSPF/C4.0
Call published	Thursday 11 January 2024
Call deadline	5.00pm, Friday 23 February 2024
Please submit your Business Case as early as possible to ukspf@sunderland.gov.uk	
Business Cases submitted after the published deadline will not be considered.	
Latest information and guidance on UKSPF in Sunderland: UK Shared Prosperity Fund (UKSPF) in Sunderland - Sunderland City Council	

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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 [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/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 up to £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 second targeted People and Skills 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 locally-based **skills delivery partnerships** whose objectives and activities align with the Sunderland City Plan 2023-2035 and Sunderland UKSPF Investment Plan priorities for **People and Skills – Improving skills to progress in work and responding to local skills needs**.

3. Background

The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. The Levelling Up White Paper¹ sets out twelve missions that support four key levelling up objectives:

- 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.

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 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 start from 1 April 2024 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.

All eligible activity and costs incurred by the lead applicant or delivery partners from 1 April 2024 must meet UKSPF assurance, monitoring and evaluation conditions. Any expenditure incurred prior to this date will be deemed ineligible unless it meets the exception below.

¹ [Levelling Up the United Kingdom - GOV.UK \(www.gov.uk\)](#)

Successful applicants may be able to seek up to £10,000 funding support towards preparatory costs incurred by the lead applicant up to 31 March 2024 in developing a strategic partnership required to deliver the project activities. Further details of potential preparatory costs envisaged should be included in the Business Case submission. Any preparatory costs must be incurred in line with UKSPF eligibility requirements.

Projects approved through this call will normally be expected to:

- Commence delivery (defraying UKSPF eligible costs) from 1 April 2024
- 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 15 April 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.
- 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, and 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.
- North East Local Skills Improvement Plan (NELSIP) available on the [North East Local Skills Improvement Plan \(NELSIP\)](#) webpage.
- Sunderland Learning and Skills Service Adult Education and Multiply Course Directory [Learning and Skills Service Prospectus 2021-22.pdf \(sunderland.gov.uk\)](#).
- 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.
- Sunderland's Digital Inclusion Plan [DIP.FINAL.TO.USE.pdf \(sunderland.gov.uk\)](#).
- Sunderland's Low Carbon Framework available on the Sunderland GOV.UK [Low Carbon - Sunderland City Council](#) 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

Under this second People and Skills Call for Projects we are seeking a **collaborative partnership approach to deliver activities that will address key employer and local labour market skills needs, enabling local people to progress into new opportunities, and gain new skills and qualifications that enhance career progression.**

Business Cases should set out how they will deliver against the UKSPF People and Skills 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 April 2024 and March 2025.

The maximum indicative allocation for this call is £2,800,000 (revenue only). 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 Sunderland's UKSPF Investment Plan's outputs and outcomes.

The Lead Authority reserves the right to increase or decrease this indicative allocation depending on need and demand, the number and quality of applications or other factors.

The scope of this call focuses on the following UKSPF priority interventions identified in Sunderland's UKSPF Investment Plan:

- Intervention to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in-community support to provide users with the confidence and trust to stay online (E36).
- Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses (E37).
- Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding (E38).
- Green skills courses targeted around ensuring we have the skilled workforce to achieve the government's net zero and wider environmental ambitions (E39).
- Retraining support for those in high carbon sectors (E40).

Where appropriate, projects may also contribute to relevant activities, outputs or outcomes under the following People and Skills interventions identified below, **where there is a clear gap in local provision, supported by robust evidence.**

- Courses including basic skills (digital, English, maths (via Multiply) and ESOL), and life skills and career skills² provision for people who are unable to access training through the adult education budget, Multiply (for maths and adult numeracy) or alternative wrap around support provided through other programmes. Supplemented by financial support for learners to enrol onto courses and complete qualifications. Beyond that, this intervention will also contribute to building community cohesion and facilitate greater shared civil pride, leading to better integration for those benefitting from ESOL support (E34).
- Activities such as enrichment and volunteering to improve opportunities and promote wellbeing (E35).

While the focus of this call is on People and Skills interventions, it is recognised within the Local Skills Improvement Plan (LSIP) that **some businesses and organisations require additional and specialist support with workforce development and planning**. To support this activity within a partnership project, the Call for Projects will also allow support under the following Supporting Local Business intervention:

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

It is critical that local skills delivery partnerships demonstrate an excellent, up-to-date understanding of existing or planned provision, including activities supported by the Multiply programme, Adult Education Budget, Skills Bootcamps, Free Courses for Jobs, DWP provision, Sunderland City Council funded provision (including Public Health), the National Careers Service, and other UKSPF projects. Lead applicants and their delivery partners should be proactive in signposting participants to existing provision where appropriate to ensure the right support is provided at the right time. We also expect lead applicants to clearly set out their track record of leading and managing partnership projects which have involved delivering skills activities and/or workforce development programmes with employers, employees and other key stakeholders.

The table below sets out the priorities, challenges, opportunities and indicative activities under strategic objective 3.2 of Sunderland's UKSPF investment plan. The activities listed are not exhaustive and we will also consider new project ideas and innovative approaches. We are also seeking provision that has 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 engagement and support will be delivered and what local outputs and outcomes will be achieved.

² where this is not being met through Department for Work and Pensions provision.

As outlined above, 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/or complementary to existing activity.

Investment Priority	Investment Priority 3: People and Skills
Strategic Objective 3.2	Improving skills to progress in work and responding to local skills needs
Priority Interventions	<ul style="list-style-type: none"> • Intervention to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in-community support to provide users with the confidence and trust to stay online (E36). • Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses (E37). • Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding (E38). • Green skills courses targeted around ensuring we have the skilled workforce to achieve the government’s net zero and wider environmental ambitions (E39). • Retraining support for those in high carbon sectors (E40).
Other priority interventions where identified activities, outputs and outcomes may be appropriate	<ul style="list-style-type: none"> • Courses including basic skills (digital, English, maths (via Multiply) and ESOL), and life skills and career skills provision for people who are unable to access training through the adult education budget, Multiply (for maths and adult numeracy) or alternative wrap around support provided through other programmes. Supplemented by financial support for learners to enrol onto courses and complete qualifications. Beyond that, this intervention will also contribute to building community cohesion and facilitate greater shared civil pride, leading to better integration for those benefitting from ESOL support (E34). • Activities such as enrichment and volunteering to improve opportunities and promote wellbeing (E35). • Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks (E23).

<p>Summary of challenges and opportunities</p>	<ul style="list-style-type: none"> • High levels of economic inactivity and unemployment, especially among young people, reducing overall workforce productivity and economic prosperity. • In-work poverty and deprivation, due to more low wage, low skilled, insecure work in the area. • Low skills and qualification levels in the workforce, including lack of basic and technical skills, limiting opportunities for people to progress into better paid, higher skilled, more secure work. • Growing recruitment and skills shortages for businesses across many sectors, as the labour market struggles to recover from the pandemic and more people leave the full-time workforce. • Changing nature of jobs and employers' skills requirements, driven by growing use of digital technologies, automation of some basic job roles (e.g. retail, distribution), and higher skilled job opportunities growing faster than low skilled occupations. • Growth in well paid jobs in key sectors for people with the right skills, including digital, clean energy, manufacturing and professional services, alongside a high volume of vacancies in established sectors such as construction, transport, health and care, retail, and distribution. • Opportunities for people of all ages to train / re-train in 'green skills' to take up jobs in growing low carbon industries, ensuring the net zero transition supports inclusive economic growth.
<p>Indicative activities</p>	<p>Activities which could be supported may include, but are not limited to:</p> <ul style="list-style-type: none"> • Financial and/or non-financial assistance to employers, particularly SMEs, to develop workforce development strategies and initiatives. • Projects that focus on addressing sector specific responses to the jobs-skills mismatch. • Technical and vocational qualifications and courses up to level 2 and 3. • Training for vocational licences relevant to local area needs. • High-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding. • Widening participation and talent retention initiatives. • Support for green skills, retrofit skills and low carbon courses where there are clear skills shortages and upskilling opportunities linked to employment and business growth. • Courses targeted at employees from local high carbon sectors to develop their existing skills in lower carbon alternatives. • Digital skills programmes to support career progression for employees and residents and accelerate digital adoption for employers. • Person-centred emotional, practical or financial support for carers, and advice on how to balance caring and work responsibilities, where this

	<p>presents a barrier to in-work progression.</p> <ul style="list-style-type: none"> • Activities which raise awareness of career development, upskilling and employment opportunities in key growth sectors. • Supported employment provision and work placements for individuals with health and disability needs. • Training activities and work experience opportunities that match residents with employment opportunities. • More targeted local interventions for those missing out on support. • Support to develop or enhance 'information hubs' for skills provision, employability support and job opportunities. • Community based basic and digital skills support. • Post-employment support, in-work advocacy and advice (e.g., health support, financial advice). • Activities which address digital exclusion and data poverty such as digital skills support to access courses, job / careers information, CVs / covering letters, job interviews. • Activities that promote mentoring, volunteering, progression support and transition support. • Support to employees and employers to find the right courses, and enable a mix of qualification based and non-qualification based learning. • Pathways to employment initiatives, vocational training pathways and in-work progression.
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7. Local labour market context

Despite the creation of new opportunities in the Sunderland labour market, local people do not necessarily gain the full benefits, especially where there is a skills mismatch. With manufacturing and other key sectors increasingly focused on the application of leading-edge technology and digitalisation, additional measures to enhance the skills of residents and existing employees are essential to enable more and better jobs to be created and sustained in the city.

Moreover, the persistent disparity between workforce and residence based average earnings, demonstrates that local people are often missing out on the best jobs, or else they are taking advantage of gaining a job with higher earnings to then move out of the city.

Unemployment and economic inactivity continue to be a major issue in the city. Irrespective of what measure is used, or where we are in the economic cycle - or indeed the interventions that are brought forward to enhance access to opportunities - the city exhibits about one-and-a-half times the national rate.

Through the first targeted People and Skills Call for Projects – **Support for residents who are economically inactive and seeking work** – UKSPF grant has been invested to address this key challenge and support more local people who are economically inactive to gain new skills and experience, address barriers to progression (such as ill health) and move them into or closer to employment opportunities.

As the Sunderland City Plan recognises, education, health and wellbeing are intrinsically linked. Education is strongly associated with life expectancy, morbidity, health behaviours and educational attainment plays an important role in health by shaping opportunities, employment, and income.

The North East Local Skills Improvement Plan (NELSIP) was developed from late 2022 and submitted to government for approval in May 2023. The NELSIP covers the local authority areas of Sunderland, County Durham, Gateshead and South Tyneside, and highlights the key labour market challenges that the region faces:

The region attracts relatively low levels of Research and Development (R&D) spend, lags other regions on “better” jobs and higher levels of qualifications, and has relatively high levels of economic inactivity, social deprivation, and ill-health. Employers are faced with trying to attract and develop new skills and capability to exploit opportunities for productivity and growth afforded by new technologies in an exceptionally competitive post Brexit/Covid-19 labour market, whilst managing the challenges of an ageing workforce, insufficient supply of higher-level technical skills, and a complex skills system.

This next section draws on key findings and recommendations of the LSIP. Applicants should carefully consider how their projects will directly address the skills and workforce development priorities identified. The LSIP focuses particularly on the current and future technical skill requirements of the following five high impact sectors:

- Digital
- Advanced Manufacturing
- Construction
- Health and Health Science
- Transport and Logistics

Strategic and cohesive workforce planning is needed across all key sectors, to meet existing skills gaps, to forecast future skills demand and to work closely with providers so that they can make relevant courses available. This is critical, not only to facilitate growth and career progression, but also to backfill those positions impacted by an ageing workforce.

Digital

Digital skills are increasingly required for better jobs and improve regional economic resilience; jobs requiring higher digital skills reduce the risk of job elimination due to automation by 59%. The digital-sector workforce in the NELSIP region is still relatively low, representing 1.5% of the total workforce, compared to 4.4% nationally (ONS, 2023). The North East digital sector is

concentrated around Newcastle while in the LSIP area about 70% of the specialist digital workforce is in Sunderland or Gateshead.

All jobs will require basic digital skills, and higher skilled jobs will also require occupational specific advanced digital skills. One-third of the population in the region currently has low levels of digital engagement (IPPR, 2021). It is clear through working with residents and community groups that those who are digitally engaged have greater opportunity to reduce poverty through increased opportunities for work, learning and financial benefit. It is therefore incredibly important that all workers and residents have the opportunity to develop their digital skills through improved access to high quality training provision and equipment, and excellent connectivity.

The LSIP also notes that:

.....demand for advanced digital skills in the NE is trailing the rest of the UK, with the exception of skills relating to Machinery Technology, reflecting the relative density of advanced manufacturing in the region. This requirement should be reflected in skills development, but it should also be recognised that there is a link to a shift in higher value product development that typically requires advanced digital skills capability in areas such as Software and Programming, Digital Design, and Data Analysis.

Examples of interventions or changes identified in the LSIP for this sector include:

- Maintain capability to deliver short modular programmes, and ability to tailor delivery to support multiple channels (e.g. upskilling/reskilling), potentially leveraging Boot Camp model.
- Need for increased employer participation and engagement through local digital partnership initiatives.
- Strategic focus on digital skills as a transformational enabler.
- Development of a sustainable teaching model that leverages regional capability through HE/FE partnership and potential employer participation.
- Mechanisms to develop standards and curriculum in response to changing platforms/technologies.
- New approaches to engage employers in providing work experience and bridge the experience gaps identified by employers.
- Mechanisms to attract and engage more under-represented groups into digital learning and careers across all sectors.

Advanced Manufacturing

The sector employs 57,000 and is the largest industrial sector in the region (ONS, 2023), with global capability in lean manufacturing, production of vehicle, pharmaceutical, and aerospace machining and component manufacturing. Skill shortages have long been an issue in the manufacturing sector across the UK, and there have been changes following Brexit in relation to filling vacancies through attracting workers from overseas. Sunderland has to date been less impacted by skills shortages than areas such as the West Midlands, where for example major companies have increasingly moved to poach workers from their own suppliers. Nevertheless, this has the potential to be a constraint on future growth, and one that needs to be monitored in parallel with the skill levels among the city's residents if the opportunities arising from the International Advanced Manufacturing Park (IAMP), Nissan's future investment in three new electric models and new battery plant, and the electrification of the wider supply-chain are to be fully realised.

As manufacturing in Sunderland becomes increasingly based on the application of new technologies, higher-level skills will be needed in numbers not previously seen. The production of electric vehicles and component parts such as motors, batteries and associated electronics will generate employment opportunities in the city, as will other aspects of the low carbon economy, such as the attraction of offshore wind related engineering projects and ongoing operational activity to the Port of Sunderland.

Examples of interventions or changes identified in the LSIP for this sector include:

- Investment in Engineering technician training capability.
- Progression pathways to degree apprenticeships (e.g., Battery/PEMD/applied digital).
- Level 2 Apprenticeships that support improved functional and behavioural skills and best practice L1/2 work experience and skills support.
- Science Manufacturing Technician provision.
- Basic digital skills provision in all engineering/manufacturing provision, including upskilling and CPD.
- Increased SME engagement in apprenticeships.

Construction

The sector employs about 25,000 workers across the NELSIP area, largely in micro-businesses providing specialist technical skills to those leading housebuilding or infrastructure projects. Forecast net employment levels to 2027 are flat (CITB, 2023). With an ageing workforce, upskilling and replacement hiring of around 1,500 per year is needed to ensure that large-scale infrastructure and housing projects can be delivered successfully to avoid disrupting major regeneration plans across the city. Emerging retrofit requirements will also stretch skills availability further, compounded by challenges associated with lack of workforce development planning, poor sector attraction, particularly for underrepresented groups, and low SME participation in apprenticeships. Digital communication tools are commonplace, but digital adoption is still immature and significant scope for productivity improvement exists. Modern Methods of Construction (MMC) are emerging but are presently limited in the region. Industry-led

skills developments and new facilities, such as the Housing Innovation and Construction Skills Academy (HICSA) located in Riverside Sunderland, will have a key role to play in stimulating innovation and upskilling across the sector.

Examples of interventions or changes identified in the LSIP for this sector include:

- A cross-region process, including employers and providers, to monitor and take action to address gaps in the region for provision of scarce specialist skilled trades (e.g., roofing, flooring, and scaffolding).
- Basic digital skills to be embedded in all provision and made accessible as upskilling modules for employers.
- Curriculum development to support Retrofit requirements, and development of plan to back-fill skilled-trades “pulled” into Retrofit (e.g., HVAC/Plumbing, Electrical, Glazers).
- Further development of curriculum at Levels 4 and 5 to embed digital skills and support vocational progression.
- Increased focus on SME engagement to enable participation in apprenticeships, including wider deployment of Flexible Apprenticeship model.
- Increased employer engagement in education outreach and 16-18 programmes, to enrich curriculum and attract young people and more diversity to the sector.
- Assessment of RTO partnership options to enhance provision and anticipate emerging technologies.
- Improve technical skills access through positive assistance to increase employment levels of underrepresented groups.

Health and Health Science

There is also ongoing and acute pressure in the health (including social care) and health science sector to meet both immediate employer recruitment needs and the strategic skills requirements of the sector. At a national level, Skills for Care’s workforce tracking data shows that vacancy rates for adult social care vacancies remain above pre-Covid-19 levels, increasing from 6.1% in April 2021 to 8.4% in November 2023. In the North East, current rates stand at 7.4%, down slightly from 8.8% in 2022/23.

This broad sector is the largest employer in the NELSIP area, with over 60,000 employed across a wide range of Health and Social Care providers, including five NHS Trusts. Sunderland faces a particular challenge in this area because of its ageing population and relatively high levels of poor health and inequalities. In Sunderland, there are approximately 9,200 jobs in the adult social care sector and approximately 550 vacant posts (Adult Social Care Workforce Data Set, 2022/23).

In terms of qualifications, 44% of the overall workforce hold no relevant social care qualification, while 30% possess level 2 social care qualifications, 19% at level 3, and only 6% at level 4 and above. In total, 64% of the workforce are aged 25-54 years, 29% are aged 55 years and above, with the average age of a worker being 45 years. Only 7% of the workforce are under 25 years. The workforce is predominantly made up of female workers at 82%.

Skills for Care's State of the Adult Social Care Workforce report (2023) cites five key factors that are key to retaining adult social care staff and thereby reducing the high turnover rate. These are:

- Being paid more than the minimum wage.
- Not being on a zero-hours contract.
- Being able to work full time.
- Being able to access training.
- Having a relevant qualification.

The report goes on to state that:

Where none of these factors apply, care workers are more than twice as likely to leave their jobs than when all five factors apply – a 48.7% turnover rate compared with 20.6%. Implementing these factors should make it easier for the people who love what they do to stay, by improving terms and conditions and investing in their career development.

Examples of interventions or changes identified in the LSIP for this sector include:

- Healthcare Support worker provision.
- Embedding digital needs in health provision.
- Developing an improved CPD offer for existing staff.
- NHS Trusts / Integrated Care Board / NHS England establishing new funding models to enable release for apprenticeship programmes, as part of a Strategic Workforce Plan for the region.
- Leverage Life Science research/training capability of National Horizons Centre.
- Build on the work of Health Innovation North East and North Cumbria (previously the Academic Health Science Network), one of the 15 health innovation networks across England supporting innovation to improve population health and support economic growth.

Transport and logistics

Around 16,000 are employed in this sector, predominantly in SMEs, with less than 2% of businesses employing 50 or more employees. The sector is strategically important to other sectors, enabling productivity and inward investment by providing access to resilient global/local supply chains from a complex geography. Sustainability is a key strategic driver, with a focus on decarbonising transport fleets and supply chains. Digitalisation provides opportunity for end-to-end value-stream visualisation and optimisation, eliminating waste, improving productivity and customer-fulfilment. Increased automation and smart warehouses and data analytics require higher level skills. 5G CAL (Connected Automated Logistics) illustrates regional innovation leadership in connected autonomous logistics.

Critical workforce challenges post Covid-19 should seek to address the lack of investment in training and insufficient replacement of an ageing workforce. Anti-social working conditions make it difficult to establish attractive employment proposition, resulting in limited diversity that restricts the available labour pool. The sector tends to “grow their own,” and developing managerial/commercial skills for existing employees is important, but career paths are limited.

Examples of interventions or changes identified in the LSIP for this sector include:

- Providers to monitor demand for electro-mechanical technicians and data analysis skills as level of automation accelerates – consistent with advanced manufacturing requirements.
- Modular basic digital CPD for existing employees and provision to enable advanced digital skill pipeline.
- Opportunities to further leverage existing programmes for supervisory/commercial skills within Transport and Logistics as automation increases.
- Technicians skilled in maintenance of new technologies in electrified last mile logistics.

The table below identifies several common requirements that cut across the five high impact sectors considered in the NELSIP, and which are not necessarily detailed for each sector within the summary above.

Digital skills are critical to the region and are no longer an option in the workplace. Basic digital skills are now an essential requirement for most jobs, as electronic devices are now integral to processing information and work in all sectors. More advanced digital skills are required to leverage technical skills in higher level roles, enabling productivity and innovation.

Foundation numeracy and literacy skills are becoming increasingly important in more digital workplaces and are required to enable progression and qualification for higher-level jobs.

Transferable behavioural skills (or soft/employability skills) are key to helping people interact with others in the workplace and enabling the effective deployment of technical skills. Employers want new entrants to be work-ready and have values and behaviours that enable them to adapt and continue to be effective as the workplace changes over time.

Emerging technologies and sustainability are increasing the importance of higher-level technical skills, which enable innovation, the adoption of new technologies, and productivity. In a tight employment market employers are alert to the importance of “growing their own” talent, but the supply of Level 3+ technical skills is insufficient to support growth.

Creating a compelling proposition that attracts people to jobs and careers in the sector. Long-standing traditional perceptions of some sectors can present a barrier to attraction, and greater emphasis on positive career opportunities associated with sustainability and digitalisation, plus well-informed aspirational vocational career guidance will be important.

Wider skills and workforce development priorities

While the NELSIP identifies the above five sectors as being strategically important to Sunderland and the wider area, this Call for Projects also welcomes activities and interventions that focus on other employment sectors in Sunderland where there is a demonstrable need to upskill, address immediate skills shortages, develop sector routeways and support employer recruitment and career development priorities.

This might also include other sectors, such as customer and professional services, education, hospitality, leisure/tourism, creative/cultural, youth and community, where local evidence from employers and vacancy rates shows that:

- Specific job roles are difficult to fill.
- Role-specific specialist skills or knowledge are lacking in their workforce and inhibiting business resilience and/or growth.
- Employers require additional support to take on new employees or to develop the skills of their existing workforce.
- More in-work support and upskilling are needed to develop essential skills, defined as listening, speaking, problem solving, creativity, staying positive, aiming high, leadership and teamwork.

8. Target participants

All residents and employees in the Sunderland local authority area will be eligible for support under this investment priority if they:

- are **unemployed and seeking work**, or working within the Sunderland area,
- are aged over 16, and
- have the 'right to work' in the UK

Residents who are economically inactive and seeking support will be signposted to the existing UKSPF project operating in Sunderland – Wise Group Relational Mentoring – which offers support to economically inactive residents over the age of 16 and provides a wide range of activities and services that address the varied and complex barriers that prevent many from securing and sustaining quality employment. Activities include employability support, mental and physical health support and work and social skills. This project will run until 31 March 2025.

We would particularly encourage proposals which address the needs of those residents or employees facing barriers to labour market entry or in-work progression, including:

- Residents who have health conditions which are barriers to gaining work or progressing in work
- Disabled residents or employees
- Older residents or employees (50+)
- Young people

Within the working age population there are certain groups that perform even less well than the average in Sunderland, the region and nationally. Local research and engagement have highlighted several key challenges around personal and labour market outcomes, with the gap in employment and income outcomes greater in Sunderland and the North East than nationally. This research has identified significant challenges for groups including, but not limited to:

- Women
- People with disabilities
- People with caring responsibilities.
- BME communities
- Offenders, ex-offenders, and those on community sentences
- Ex-services personnel and veterans
- Communities where worklessness is persistently high and inter-generational
- Migrants and refugees
- Lesbian, gay, bisexual, and transgender (LGBT)
- Cared for and care experienced young people
- Younger working age people (16-24) including those not in education, employment or training (NEET)
- Older residents or employees (50+)
- People with work limiting health conditions

Whilst the challenges identified above tend to be more prevalent in under-resourced communities, they are also more common among different population groups who are more likely to face other, specific barriers to finding employment, progressing in-work, developing new skills, gaining new qualifications, or starting a business.

9. 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 outputs and outcomes as defined within the UKSPF Interventions, Objectives, Outputs and Outcomes Guidance which is available on the [UK Shared Prosperity Fund: interventions, outputs and indicators - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/674242/UK_Shared_Prospirity_Fund_interventions_outputs_and_indicators.pdf) webpage.

Under this call, successful applicants will be required to record outputs and outcomes primarily associated with interventions E36, E37, E38, E39 and E40, where this is appropriate, adds value, and does not duplicate existing funded provision. Additional UKSPF indicators, including interventions E23, E34 and E35 may also be selected where appropriate and relevant to the activities proposed.

The range of applicable outputs and outcomes associated with this call are listed in the tables below. Delivery partnerships will not be required to deliver against all outputs and outcomes.

E36: Intervention to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in-community support to provide users with the confidence and trust to stay online

REF NO	OUTPUTS
41	Number of people supported to access basic skills courses
42	Number of people supported to engage in life skills
43	Number of people supported to gain a qualification
REF NO	OUTCOMES
125	People gaining a qualification or completing a course following support

E37: Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses

REF NO	OUTPUTS
26	Number of courses developed in collaboration with employers
30	Number of people referred from partners onto upskill courses
36	Number of people in employment engaging with the skills system
39	Number of people retraining
44	Number of people supported to participate in education
REF NO	OUTCOMES
124	Number of people gaining qualifications, licences and skills

E38: Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding

REF NO	OUTPUTS
37	Number of people receiving support to gain a vocational licence
REF NO	OUTCOMES
127	Number of economically active individuals engaged in mainstream skills education and training
133	Number of people in education/training following support
134	Number of people in employment, including self-employment, following support

E39: Green skills courses targeted around ensuring we have the skilled workforce to achieve the government’s net zero and wider environmental ambitions

REF NO	OUTPUTS
35	Number of people receiving support to gain employment
43	Number of people supported to gain a qualification
REF NO	OUTCOMES
125	People gaining a qualification or completing a course following support
134	Number of people in employment, including self-employment, following support

E40: Retraining support for those in high carbon sectors

REF NO	OUTPUTS
35	Number of people receiving support to gain employment
38	Number of people receiving support to sustain employment
39	Number of people retraining
43	Number of people supported to gain a qualification
60	Number of people attending training sessions
REF NO	OUTCOMES
125	People gaining a qualification or completing a course following support
134	Number of people in employment, including self-employment, following support

Other ‘secondary outputs’ associated with other potential interventions are listed below. However, these should only be considered where there is an additional output or outcome that is not captured in the above priority interventions.

E34: Courses including basic skills, and life skills and career skills (where not met through DWP provision) for people who are unable to access training through the adult education budget or wrap around support detailed in E33 above. Supplemented by financial support for learners to enrol onto courses and complete qualifications

REF NO	OUTPUTS
40	Number of people supported onto a course through provision of financial support
42	Number of people supported to engage in life skills
43	Number of people supported to gain a qualification
REF NO	OUTCOMES

125	People gaining a qualification or completing a course following support
131	Number of people experiencing reduced structural barriers into employment and into skills provision
133	Number of people in education/training following support
134	Number of people in employment, including self-employment, following support
139	Number of people with basic skills following support
140	Number of people with proficiency in pre-employment and interpersonal skills

E35: Activities such as enrichment and volunteering to improve opportunities and promote wellbeing

REF NO	OUTPUTS
44	Number of people supported to participate in education
45	Number of people taking part in work experience programmes
47	Number of volunteering opportunities supported
REF NO	OUTCOMES
131	Number of people experiencing reduced structural barriers into employment and into skills provision
132	Number of people familiarised with employers' expectations, including, standards of behaviour in the workplace
133	Number of people in education/training following support
134	Number of people in employment, including self-employment, following support

Supporting Local Business – specific intervention priority.

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

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

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

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 April 2024 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 participant 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 individual participants, employees and employers as well as the wider impacts of Sunderland’s

UKSPF programme. Lead applicants will be required to incorporate external evaluation costs into their budget proposal.

The monitoring information for each individual should be collected via an agreed **Participant 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, including at the start of the project, during delivery and when participants exit from the support. Alongside the Participant Registration or Enrolment Form we would also expect the skills delivery partnerships to monitor and review the learner's journey through a consistent **Participant Support Plan** (or similar) which captures the individual's support touchpoints with the project, and clearly records outputs, outcomes and progression.

For projects proposing to support businesses / organisations with their workforce development priorities, assistance should be clearly documented using a **Business/Organisation Interaction Record** and/or result in a **Workforce Development Plan** or Strategy.

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 relevant and accurate 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.
- Satisfactory 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 1 April-June 2024 claim will be due by 15 July 2024. Claim deadlines will be reviewed at the discretion of the Lead Authority.

10. 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 all 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 and Partnership working

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

To tackle Sunderland's skills, workforce and recruitment challenges, partnership working will be essential, and we would encourage all prospective delivery organisations to consider working with other local partners to maximise impact and deliverability through a coordinated and collaborative partnership-led approach.

Effective planning and delivery of project activities will require coordinated and collaborative working between employers, schools, colleges, universities, local authorities, training providers, sector representative bodies and employer representative bodies.

For this reason, and to ensure that skills delivery and workforce development activities are of sufficient scale and quality and have a sustainable and significant impact in relation to the City Plan, business growth objectives and the employability and progression of residents and workers, we have applied an indicative minimum application level of £1,400,000 and a maximum level of £2,800,000. This position is subject to review by the Lead Authority.

We would therefore encourage smaller organisations to work in partnership to form part of a skills delivery partnership approach.

Proposed outputs and outcomes, and efficient and effective delivery, will be considered as part of the value for money and deliverability assessment.

Design factors and delivery approach

Through this Call for Projects, we want to encourage innovation in skills delivery and identify new opportunities to support residents, employees and employers, and create lasting benefits that will improve life chances, create more and better jobs, and support business growth.

We are seeking projects that can demonstrate the ability to work across sectors to design and deliver excellent training and skills opportunities that lead to secure, sustainable, and good quality employment outcomes for local people and employers. This may also include support to sustain employment outcomes where this is necessary. We are particularly interested in collaborations between delivery organisations, which can achieve scale efficiencies, enhance

value for money outcomes, provide flexibility for employers and employees, provide clear sector routeways for progression, and reduce duplication/complexity for participants. We would also encourage new collaborations with employers and employer representative bodies.

We expect there to be a range of holistic approaches to addressing the barriers that people face when seeking to upskill or retrain, with approaches tailored to employer and employee needs, skill levels or personal barriers. Delivery models should reflect the needs of the individual supported. A mixed model of face-to-face and digital provision will be appropriate in many circumstances and may be preferred by some employers, employees or residents, for access or other reasons.

Delivery geography

Project delivery should benefit all of the Sunderland local authority area. UKSPF provision should be easily accessible to participants, residents and employees, including from training locations and employer premises within the city.

Match funding

The level of UKSPF requested should be the minimum for the project to proceed and must not be used to replace existing funding sources. It must enable activity to take place that would not otherwise happen or to increase the scope, scale, duration or intensity of activity. 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 set out in their Business Case.

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. Lead 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 local organisations which can be delivered 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.

As outlined in the call, skills delivery partnerships must demonstrate the following in their submissions:

- Robust approach to information, advice and guidance for every participant to ensure there is a strong rationale for the skills support provided.
- Strong understanding of existing support already available – within the city, region and online - to ensure appropriate and responsive signposting to alternative skills provision and to maximise upskilling, employment opportunities and career progression.
- Excellent knowledge of learning and skills programmes delivered locally by higher and further education institutions, training providers, employers, Public Health, social prescribing delivery organisations, and the VCSE sector.

Once assessments 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.

11. Eligibility rules and guidance

Under this Call for Projects all organisation types are eligible to apply for funding as lead applicants or delivery partners.

These include:

- Higher and Further Education Institutions
- Training providers
- Not for Profit organisations
- Registered charities
- Statutory and non-statutory public funded organisations/bodies
- Voluntary, community and social enterprise (VCSE) organisations
- Employers and employer representative organisations

Delivery partners can be included in more one than one bid, and we would expect lead applicants to apply open and transparent communication and supply chain management principles within their partnership proposal. Lead applicants will be required to submit letters of support from all partners, with a clear description in the Business Case of the role and contribution of each partner organisation.

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 Sunderland UKSPF Investment Panel and 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.

12. 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 **employer, employee and stakeholder engagement** in their design and delivery, showing how they will benefit and engage with target participant groups.
- Demonstrate **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.

13. 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 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.

14. Procurement

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

Value of contract	Minimum procedure
£0 - £9,999	Direct award provided value for money has been considered
£10,000 - £49,999	3 written quotes or prices sought from suitable suppliers of goods, works and / or services
Over £50,000	Formal tender process

15. 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.

16. 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:

- 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
- Executive Summary of the Sunderland UKSPF Investment Plan
- Sunderland UKSPF Investment Plan - Evidence Base Review
- 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

Please read the guidance carefully and ensure that your submission includes the key documents requested below.

For further information, guidance or technical assistance queries, please email ukspf@sunderland.gov.uk.

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

Applicants must ensure that the following information is submitted:

- Full Business Case Template (including Annexes D-H)
 - 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
- Example of a Participant/Learner Registration Form
- Example of a Participant/Learner Support Plan
- Example of a Participant journey flowchart

These documents must be submitted by email to ukspf@sunderland.gov.uk by **5.00pm on Friday 23 February 2024** when the Call for Projects will close. Please submit your proposals as early as possible.