

# UK Shared Prosperity Fund

## Invitation to Submit Project Bids

## Supporting Local Business

Call Ref. TVCA UKSPFSLB002



**LEVELLING  
UP**

March 2023

## INTRODUCTION

Tees Valley Combined Authority (TVCA) is seeking bids from organisations wishing to deliver activity as part of the UK Shared Prosperity Fund (UKSPF).

Please read the UK Shared Fund Prospectus and the additional guidance which can be found [here](#) prior to making an application. You should also review the information on the TVCA website [here](#).

The Prospectus provides detailed information on the objectives of the Fund, the types of activity it intends to support and the management of the fund.

This call focuses on the UKSPF Investment Priorities within Tees Valley Combined Authority's UKSPF programme of supporting local business. The Combined Authority is seeking proposals to provide support for business across seven lots with a total value of **£8.2m** to be delivered across the two years 2023/24 and 2024/25 (with a review point at the end of year 1 to confirm delivery in year 2).

## TEES VALLEY COMBINED AUTHORITY

[Tees Valley Combined Authority](#), established in April 2016 following a Devolution Deal with Government, aims to transform the Tees Valley region by driving economic growth and creating jobs.

It is led by Ben Houchen, the region's first elected Mayor, and is a partnership of five Local Authorities — Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton-on-Tees.

Using powers devolved from Whitehall to work closely with our business community and partners to make local decisions that support the growth of our economy.

The Combined Authority includes a fully integrated Local Enterprise Partnership, the Tees Valley Business Board. The Tees Valley Business Board is made up of business leaders, who work side-by-side with the Combined Authority to drive growth across the region.

The Combined Authority's economic ambitions are set out in our [Strategic Economic Plan](#), which aims to create 25,000 new jobs and deliver an additional £2.8billion into the Tees Valley economy by 2026 and our £588million [Investment Plan](#) which covers our funding commitments across six key themes - transport; education, employment and skills; business growth; culture and tourism; research, development and innovation; and investment in our towns and communities.

## TEES VALLEY BUSINESS

Business growth is a key priority within our economic plan, including diversification of the economy, supporting more business start-ups and developing growth potential.

In supporting this priority, the Combined Authority created [Tees Valley Business](#), with a remit to support business start-ups and assist SMEs to grow.

Established during 2020, Tees Valley Business is an in-house Combined Authority team that fulfils two distinct business support roles. Firstly, it provides a gateway service to assist businesses and individuals to navigate and access a diverse range of business support that is available. Secondly, it develops and delivers direct programmes of business support.

### Tees Valley Business: Key Functions

Business gateway supporting businesses and individuals in navigating a complex business support eco-system

Developing and delivering specific programmes within the business support eco-system

Whether an individual looking to start a business or an existing business looking to scale-up and grow the support on offer can be complex and confusing. There are a vast range of organisations and programmes offering support at a local, regional and national level. Some publicly funded, some not, identifying what is right for them can be a daunting task. The business gateway service aims to assist individuals and businesses in navigating and accessing the support that is available.

Fundamental to the business gateway service is the single access point that has been established to ensure all business engagement is managed in a consistent and coordinated manner, aiming to 'hide the wiring' in terms of customer experience and the support received.

The business gateway service provides this single access point to the full range of business support that is available to Tees Valley businesses. It provides information and brokerage into specific programmes of support based on a tailored needs assessment, supporting businesses as they move forward through their development journey.

By bringing the service in-house the Combined Authority has greater control, ensuring a renewed focus on an impartial Information, diagnostic and brokerage business support service, and affording greater flexibility to respond to new

economic opportunities, through the direct management of the business growth service and advisor team.

Since its launch, the new business gateway service has provided over 4,000 businesses in across Tees Valley with direct one to one business support and advice.

In addition to continuing to support businesses with information, diagnostic a brokerage through the business gateway offer, supporting them to access the wide range of support that is available within the wider eco-system, we also directly provide and commission partners to deliver specific programmes of support.

Since established, Tees Valley Business has provided £24.3m in funding, directly supporting 1,224 Tees Valley based businesses through various support programmes delivered by the Combined Authority and its commissioned partners. These include:

- Welcome Back Fund
- Back to Business: Visitor Economy
- Back to Business: Wider Economy
- Business Growth Fund
- Skills for Growth Programme
- Cultural Development & Innovation Fund
- Festivals Recovery Fund
- EU Exit Support Programme
- SME Energy Efficiency Programme
- Made Smarter Adoption
- Peer to Peer Network Programme

## **UNITED KINGDOM SHARED PROSPERITY FUND (UKSPF)**

The United Kingdom Shared Prosperity Fund (UKSPF) will provide £2.6bn across the UK for local investment by March 2025.

The UKSPF aims to build pride in place; support high quality skills training; support pay, employment and productivity growth; and increase life chances.

Tees Valley Combined Authority has been designated a 'lead authority' by the government and will administer the programme locally. [Tees Valley will receive £46.3m UKSPF](#), of which £8.2m is being made available for this call.

As a lead authority, TVCA is responsible for:

- Management of the funds

- Issuing this invitation
- Receiving bids
- Assessment of bids
- Paying grants to successful projects and managing their performance

Full details of the role of lead authorities can be found in the UKSPF Prospectus.

The UKSPF has three key investment priorities:

1. Communities & Place
2. Supporting Local Business
3. People & Skills

This call focuses on the UKSPF Investment Priorities within Tees Valley Combined Authority's UKSPF programme of Supporting Local Business.

## **TEES VALLEY SUPPORTING LOCAL BUSINESS: CHALLENGES AND OPPORTUNITIES**

In our investment priority to support local businesses there are several local challenges both within the context of the local economy and the local business support eco-system.

### **ECONOMIC CHALLENGES AND OPPORTUNITIES**

In comparison to the rest of the UK the Tees Valley economy is underperforming. The opportunity is to accelerate the creation, scale-up and growth of businesses to redress this imbalance.

<b>BUSINESS DENSITY</b>	
<b>Challenge</b>	<b>Opportunity</b>
Tees Valley business density is 37% below the national average. From its current base of 17,715 businesses, Tees Valley would need 28,204 businesses to level-up with the national average, that is an additional 10,489 businesses. Excluding London, the Tees Valley business density is 33% below the England average requiring an additional 8,771 additional businesses. Against the Northern Powerhouse 11, Tees Valley business density is 21% lower, levelling up to this would require 4,690 additional businesses.	Levelling up to the national average equates to an additional 10,489 businesses. Excluding London, levelling up to the England average equates to an additional 8,771 additional businesses. Levelling up to the Northern Powerhouse 11 average equates to 4,690 additional businesses. Levelling up against these benchmarks presents significant local opportunities. Not only would this make a significant contribution to our economic activity it would have the potential to create an additional 26,432 (national average), 22,102 (excluding London) and 11,818

	(Northern Powerhouse 11) jobs respectively (based on the average micro-business employing 2.52 people).
<b>BUSINESS CREATION</b>	
<b>Challenge</b>	<b>Opportunity</b>
Tees Valley business birth rates are 38% below the national average. From its current base of 2,335 new businesses in 2021, Tees Valley would need an additional 1,436 businesses to level-up with the national average. Excluding London, the birth rate is 29% below the England average requiring an additional 954 new businesses. Against the Northern Powerhouse 11, Tees Valley business density is 23% lower, levelling up to this would require 705 additional new businesses. New business survival rates are comparable, even slightly better, than the national average.	Levelling up to the national average equates to an additional 1,436 new businesses per annum. Excluding London, levelling up to the England average equates to an additional 954 new businesses. Against the Northern Powerhouse 11, Tees Valley business density is 23% lower, levelling up to this would require 705 additional new businesses. Driving up business birth rates is key to the Tees Valley in improving the business density position. Assuming survival rates are maintained at current levels, which are slightly better than the national average, levelling up business birth rates is a key opportunity in addressing the business density challenge faced.
<b>BUSINESS SCALE-UP</b>	
<b>Challenge</b>	<b>Opportunity</b>
Tees Valley has the lowest business scale up rate in the UK. Scale up businesses are defined as companies who have increased their turnover and/or employee numbers annually by more than 20 per cent over a three-year period. In the latest data published by the Scale-Up Institute, Tees Valley ranked the lowest of all 41 UK regions. Additionally, Tees Valley is one of only two areas that has experienced negative growth in the number of scale-up businesses.	In the latest analysis by the Scale-Up Institute, Tees Valley was home to 220 scaleups, who between them employed 16,246 people and had a combined turnover of £3bn. Improving the number of scale-up businesses is a significant opportunity. For example, achieving the level of the NE LEP area, which has 19% more scale-up businesses would equate to 42 additional high growth businesses, potentially 3,086 additional jobs and £570m additional combined turnover. Achieving the level of the Cheshire and Warrington LEP area, which has 79% more scale-up businesses would equate to 173 additional high growth businesses, potentially 12,796 additional jobs and £2.4bn additional combined turnover.
<b>PRODUCTIVITY</b>	
<b>Challenge</b>	<b>Opportunity</b>
Taking GVA as an indication of productivity, Tees Valley again lags the national average, with GVA per hour worked at 88.2% of the national average. In 2019, Tees Valley GVA per hour worked was £31.0, up from £30.9 in 2018. However, UK GVA per hour worked increased from £34.8 to £35.2 over the same	Increasing digital adoption, capital investment, innovation and workforce development are all significant opportunities in addressing the Tees Valley productivity gap.

period. This meant that the Tees Valley GVA per hour worked index fell from 88.7 to 88.2.	
<b>EMPLOYMENT AND SKILLS</b>	
<b>Challenge</b>	<b>Opportunity</b>
The Tees Valley employment rate is 5.3% below the national average, the number of NEETs are 75% higher than the national average, the number of high skilled jobs are 24% less than the national average, weekly earnings are £61 less than the national average and people with L4+ skills are 23% below the national average.	Enabling businesses to recruit, retain and develop the talent needed to start, scale and grow is a key opportunity and provides significant potential to create employment and training opportunities.

## SUPPORTING BUSINESS ECO-SYSTEM CHALLENGES AND OPPORTUNITIES

A strong local business support eco-system is fundamental to redress the economic imbalances and accelerate the creation, scale-up and growth of business across Tees Valley. Addressing the challenges requires an accessible and impactful business support eco-system. A strong local business support eco-system is fundamental if we are to maximise these significant economic opportunities and accelerate the creation, scale-up and growth of businesses across Tees Valley.

<b>COMPLEXITY</b>	
<b>Challenge</b>	<b>Opportunity</b>
The business support eco-system is complex, confusing, and difficult to navigate for the business community. There are many different support offers, provided by various organisations at a local, regional, and national level, which is complex to understand and challenging to access. The challenge is to simplify and streamline the business support offer, ensuring straightforward access to the local business community.	Simplification. An opportunity to simplify and streamline business support, making it accessible, responsive, and relevant to business needs.
<b>LONGEVITY</b>	
<b>Challenge</b>	<b>Opportunity</b>
All too often the support that businesses receive is short term and sporadic. Feedback from businesses is that they need ongoing support throughout their journey of start-up to scale-up to growth. The challenge is to develop a business support ecosystem that provides longevity of support through an end-to-end account management model, building trust and	An opportunity to build long-term relationships with businesses, engaging and supporting throughout their start, scale and grow journey.

understanding and enabling a much more impactful relationship over time rather than a constant dipping in and out of unconnected programmes.	
<b>SECTORS</b>	
<b>Challenge</b>	<b>Opportunity</b>
One size does not fit all, and a key challenge is to ensure a business support eco-system that recognises the different needs and priorities of different sectors, tailoring approaches as appropriate.	An opportunity to ensure that support recognises and responds to the different needs of different sectors.
<b>ENTREPRENEURSHIP</b>	
<b>Challenge</b>	<b>Opportunity</b>
To ensure that there is effective and impactful support in place to drive the creation of more businesses. Whilst existing business support provides practical advice to those taking steps to start a business, there is a challenge in inspiring a whole new generation of entrepreneurs and significantly increase the propensity of local people to want to go into business.	An opportunity to drive entrepreneurship and business creation.
<b>SCALE-UP</b>	
<b>Challenge</b>	<b>Opportunity</b>
To ensure more micro and small businesses are able to scale operations and maximise market opportunities a key challenge is to provide a clear and comprehensive wrap-around support offer that deals with the challenges micro and small businesses are facing including with innovation, digitalisation, international trade, securing investment, people, supply chain and net zero.	An opportunity to drive the scale-up of micro-businesses.
<b>GROWTH</b>	
<b>Challenge</b>	<b>Opportunity</b>
To ensure more medium sized businesses are able to grow and maximise market opportunities a key challenge is to provide a clear and comprehensive wrap-around support offer that deals with the challenges medium-sized businesses are facing including with innovation, digitalisation, international trade, securing investment, people, supply chain and net zero.	An opportunity to ensure more medium sized businesses are able to grow and maximise market opportunities.



NET ZERO	
Challenge	Opportunity
To ensure all businesses achieve energy efficiency and work towards net zero a key challenge is to provide business support that equips them with the tools to deliver.	An opportunity to ensure all businesses achieve energy efficiency and work towards net zero a key challenge is to provide business support that equips them with the tools to deliver.

## TEES VALLEY SUPPORTING LOCAL BUSINESS: UKSPF INVESTMENT PLANS

The Tees Valley UKSPF Supporting Local Business proposals are for a comprehensive programme of support to start, scale and grow businesses. It comprises three core objectives:

1. Create new businesses.
2. Scale-up micro-businesses.
3. Grow small and medium-sized businesses.

The programme specifically aims to level-up Tees Valley in terms of:

1. Business density
2. Business creation
3. Business scaling
4. Business productivity
5. Business employment and skills
6. Business net zero

## INVITATIONS TO BID

The Combined Authority is seeking proposals to provide support for business with a total value of £8.2m to be delivered across two financial years April 2023 to March 2025.

We are inviting proposals across seven lots via an Open Call as follows:

### Lot 1

#### Entrepreneur inspiration (£0.2m)

To inspire a new generation of entrepreneurs to create businesses.

### Lot 2

#### Start-up practical support (£1.68m)

To enable those new to business to realise their ambitions.

### **Lot 3**

#### **Digital (£1.68m)**

To adopt digital technologies and develop new products and services.

### **Lot 4**

#### **Securing investment (£0.88m)**

To be investor ready in securing finance.

### **Lot 5**

#### **People (£0.72m)**

To enable access to the right people for the business to scale and grow.

### **Lot 6**

#### **Supply Chain (£0.91m)**

To maximise business opportunities and strengthen local supply chains.

### **Lot 7**

#### **Net Zero (£2.13m)**

To be energy efficient and have a net zero roadmap.

## **CROSS CUTTING THEMES AND EXPECTED WAYS OF WORKING APPLICANTS SHOULD CONSIDER**

There are a number of themes that cut across all supporting business delivery and should be reflected in applications. These are detailed below.

1. Strong partnership working to ensure a streamlined and joined up support offer, including close collaboration with other Lot delivery partners and Tees Valley Business.
2. Communicating and engaging with the business community, providing a clear and accessible support offer.
3. Enabling greater levels of self-help and self-direction.
4. Providing end to end wraparound support over time during its start, scale and grow journey.
5. Strong alignment of UKSPF investment to other business support investment and activities.

6. Responsiveness and flexibility in adapting to changing business needs, opportunities, and priorities.
7. Strong focus on targets to create/scale businesses and jobs.
8. Maximise value for money and impact with the available resources by providing an appropriate mix of high-volume support to all businesses and more targeted and intensive support to a smaller number of high growth potential businesses.
9. Capture data as appropriate to enable the impact of activities to be evaluated, learn lessons and tailor future activities for maximum impact.
10. Demonstrate an equal and inclusive approach to engagement.

The programmes of support will be expected to be delivered through four core mechanisms, and bidders are expected to submit proposals that reflect this.

1. Online support providing self-diagnostic tools, toolkits, case studies, practical advice, and self-referral.
2. A programme of one-to-many events, seminars, and workshops to raise awareness across the business community regarding best practice, opportunities, and the support available.
3. A programme of support to smaller groups/cohorts to directly assist individuals and businesses to achieve their ambitions.
4. One-to-one support providing more intensive input to assist individuals and businesses to deliver on their plans.

The UKSPF Supporting Local Business programme will be a comprehensive business support offer and in terms of UKSPF interventions is encapsulated via:

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

**E29** – supporting decarbonisation and improving natural environment whilst growing the local economy.

## DETAILS OF EACH LOT

The aims, objectives, funding, outputs, and outcomes for each individual lot are set out as follows:

<b>LOT 1</b>	<b>ENTREPRENEUR INSPIRATION</b>
<b>FUNDING</b>	£200,000, available April 2023 to March 2025, subject to March 2024 review.
<b>AIM</b>	To increase business start-up rates across Tees Valley

<b>OBJECTIVES</b>	<ol style="list-style-type: none"> <li>1. Stimulate a new generation of entrepreneurs across Tees Valley.</li> <li>2. Increase the propensity for Tees Valley residents to start a business.</li> <li>3. Stimulate innovative-thinking and creativity regarding business start-up ideas and new product/service development.</li> <li>4. Work collaboratively with key partners to engage the community and inspire entrepreneurship in a targeted way. Targeted campaigns to attract different demographic groups e.g., young people, semi-retired individuals, age 50+ individuals, women returners to the labour market etc.</li> <li>5. Build confidence and a strong 'can-do' attitude across Tees Valley communities regarding creating and running a business.</li> <li>6. Promote and signpost to the practical support that is available.</li> </ol>
<b>DELIVERY</b>	Innovative proposals that deliver on the aims and objectives are encouraged. Proposals may include adopting a social media, digital and print campaign; building a network of entrepreneur ambassadors / spokespeople; promoting role models / case studies; showcasing at events / roadshows / workshops / pop-up activities across the Tees Valley.
<b>COLLABORATION</b>	<p>Crucially, the inspiration campaign will aim to work collaboratively with key partners, with the aim to stimulate new business ideas and opportunities across Tees Valley.</p> <p>For example, educational institutions (e.g., secondary schools, universities, and colleges); professional services (e.g., local lawyers and accountants); financial institutions; large buying organisations; the Department of International Trade; Innovate UK, Job Centre Plus.</p>
<b>UKSPF INTERVENTION</b>	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>UKSPF OUTPUTS</b>	<p>Number of potential entrepreneurs provided assistance to be business ready (numerical value).</p> <p>Number of businesses receiving non-financial support (numerical value)</p>
<b>UKSPF OUTCOMES</b>	Number of new businesses created (numerical value).

<b>LOT 2</b>	<b>BUSINESS START-UP PRACTICAL SUPPORT</b>
<b>FUNDING</b>	£1,680,000, available April 2023 to March 2025, subject to March 2024 review.
<b>AIM</b>	To increase business start-up rates across Tees Valley
<b>OBJECTIVES</b>	<ol style="list-style-type: none"> <li>1. Provide a comprehensive programme of practical support to enable individuals to gain the skills needed to successfully start and run a business.</li> <li>2. Offer support on a full range of business start-up topics e.g., business planning, financial management, legal structures, employing people,</li> </ol>

	<p>securing finance, marketing, intellectual property, contracting, digital, etc.</p> <ol style="list-style-type: none"> <li>3. Provide advice, guidance, and mentoring to assist new entrepreneurs.</li> <li>4. Provide support with signposting and brokerage as relevant e.g., the Start-Up Loans Company, Innovate UK, Business IP Centre, other business support programmes, etc.</li> <li>5. Provide both pre-start and post-start support e.g., during the first 6 months of trading.</li> <li>6. Once established as a business provide signposting to the wider support available for established businesses.</li> <li>7. Identify those established businesses that are capable of accelerated growth and potential scale up and signpost to wider support available.</li> </ol>
<b>DELIVERY</b>	In addition to the standard delivery expectations regarding online support, a programme of events, smaller cohort support and a level of targeting 1-to-1 support, we would also like to pilot a financial support scheme, with 100% grant of up to £3k (aimed at new entrepreneurs without financial means to start a business). It is proposed to set aside £300k of the funding available for this, to provide at least 100 grants.
<b>COLLABORATION</b>	The programme will aim to build strong collaborations, for example, with local banks (to offer free introductory banking advice as part of cohort programme), professional services (to offer free introductory legal/accountant advice as part of cohort programme). It will also build relationships with key agencies involved on business start-up support across Tees Valley to align the wider support available e.g., innovation centres, universities, other agencies. Close collaboration with other Lot delivery partners will also be necessary to ensure a joined-up support offer to businesses.
<b>UKSPF INTERVENTION</b>	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>UKSPF OUTPUTS</b>	<p>Number of potential entrepreneurs provided assistance to be business ready (numerical value)</p> <p>Number of businesses receiving grants (numerical value)</p> <p>Number of businesses receiving non-financial support (numerical value)</p>
<b>UKSPF OUTCOMES</b>	<p>Number of new businesses created (numerical value)</p> <p>Jobs created (numerical value)</p>

<b>LOT 3</b>	<b>DIGITAL ADOPTION</b>
<b>FUNDING</b>	£1,680,000, available April 2023 to March 2025, subject to March 2024 review.
<b>AIM</b>	To enable businesses to start, scale and growth through digital adoption, using technology to reduce inefficiencies and cut waste, increase sales

	growth and new market opportunities, overcome capacity and resource issues, boost competitiveness, and increase resilience, agility and innovation.
<b>OBJECTIVES</b>	<ol style="list-style-type: none"> <li>1. Comprehensive support to enable businesses to maximise the opportunities of digital adoption.</li> <li>2. Enable businesses to improve efficiency and productivity via digital adoption.</li> <li>3. Enable businesses to introduce new to market/business products and services via digital adoption.</li> <li>4. Increase business sustainability via digital adoption.</li> <li>5. Increase the number of businesses adopting new to the firm technologies or processes.</li> <li>6. In addition to supporting existing businesses, the programme will align strongly with business start-up support to ensure thinking regarding digital opportunities are a key component of new business creation.</li> </ol>
<b>DELIVERY</b>	In addition to the standard delivery expectations regarding online support, a programme of events, smaller cohort support and a level of targeting 1-to-1 support, we would also like to pilot a financial support scheme, with 100% grant of up to £3k for digital adoption. It is proposed to ringfence £300k of the funding available for this, to provide at least 100 grants.
<b>COLLABORATION</b>	As a critically important aspect of business creation, scale-up and growth the digital offer will align with existing offers, for example, Made Smarter Adoption for Manufacturers. It is also expected that there will be close collaboration with key partners and agencies offering support regarding digital e.g., the private sector and public agencies. Close collaboration with other Lot delivery partners will also be necessary to ensure a joined-up support offer to businesses.
<b>UKSPF INTERVENTION</b>	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>UKSPF OUTPUTS</b>	<p>Number of businesses receiving non-financial support (numerical value)</p> <p>Number of businesses receiving grants (numerical value)</p>
<b>UKSPF OUTCOMES</b>	<p>Jobs created (numerical value)</p> <p>Jobs safeguarded (numerical value)</p> <p>Number of businesses introducing new products to the firm (numerical value)</p> <p>Number of businesses adopting new to the firm technologies or processes (numerical value)</p> <p>Number of businesses with improved productivity (numerical value)</p> <p>Number of businesses engaged in new markets (numerical value)</p>

<b>LOT 4</b>	<b>SECURING INVESTMENT</b>
<b>FUNDING</b>	£880,000, available April 2023 to March 2025, subject to March 2024 review.
<b>AIM</b>	To enable businesses to be investor ready to secure finance for business start-up, scale-up and growth.
<b>OBJECTIVES</b>	<ol style="list-style-type: none"> <li>1. Equip businesses with the know-how to successfully attract investment.</li> <li>2. Enable businesses to be 'investor ready', increasing their understanding regarding how to attract potential investors.</li> <li>3. Practical advice and guidance to businesses on investment strategies to raise finance.</li> <li>4. Support businesses in developing their investment 'slide-deck'.</li> <li>5. Increase know-how regarding different investment strategies and how to attract the right type of investment.</li> <li>6. Connect businesses to potential investors.</li> <li>7. Build a network of investors for Tees Valley businesses to access.</li> <li>8. Ensure investor readiness is embedded in the thinking of new entrepreneurs.</li> </ol>
<b>DELIVERY</b>	In addition to the standard delivery expectations regarding online support, a programme of events, smaller cohort support and a level of targeting 1-to-1 support, we welcome innovative proposals.
<b>COLLABORATION</b>	The programme will develop a network of professional advisors, brokers, investors, lawyers, and accountants that Tees Valley businesses can access. Close collaboration with other Lot delivery partners will also be necessary to ensure a joined-up support offer to businesses.
<b>UKSPF INTERVENTION</b>	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>UKSPF OUTPUTS</b>	Number of businesses receiving non-financial support (numerical value)
<b>UKSPF OUTCOMES</b>	<p>Jobs created (numerical value)</p> <p>Jobs safeguarded (numerical value)</p> <p>Number of new businesses created (numerical value)</p> <p>Number of businesses introducing new products to the firm (numerical value)</p> <p>Number of businesses adopting new to the firm technologies or processes (numerical value)</p> <p>Number of businesses with improved productivity (numerical value)</p> <p>Number of businesses engaged in new markets (numerical value)</p>

<b>LOT 5</b>	<b>PEOPLE</b>
<b>FUNDING</b>	£720,000, available April 2023 to March 2025, subject to March 2024 review.
<b>AIM</b>	To ensure businesses secure the right people to start, scale and grow
<b>OBJECTIVE</b>	<ol style="list-style-type: none"> <li>1. Enable businesses to recruit and retain in a competitive labour market.</li> <li>2. Provide support so that businesses understand the labour market challenges.</li> <li>3. Provide best practice on the options a business has regarding seeking to recruit staff.</li> <li>4. Provide best practice on how businesses nurture and retain their people.</li> <li>5. Provide best practice as to how a business can adopt strategies and policies to remain competitive in the labour market.</li> <li>6. Ensure support is tailored to the individual challenges of key sectors and labour challenges.</li> <li>7. Ensure the support is aligned with national employment, skills, and careers programmes, the wider TVCA business skills support offer (including careers education) – and the UKSPF People &amp; Skills Investment Priority.</li> </ol>
<b>DELIVERY</b>	In addition to the standard delivery expectations regarding online support, a programme of events, smaller cohort support and a level of targeting 1-to-1 support, innovative proposals are encouraged that will support businesses in securing and retaining the right people to start, scale and grow.
<b>COLLABORATION</b>	In addition to close alignment with the wider TVCA business skills support offer it is expected that the programme will have close working with key agencies and organisations involved in Tees Valley recruitment and retention e.g., recruitment agencies. The programme should also seek to collaborate with key national bodies leading on research and development in the area of recruitment and retention. Close collaboration with other Lot delivery partners will also be necessary to ensure a joined-up support offer to businesses.
<b>UKSPF INTERVENTION</b>	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>UKSPF OUTPUTS</b>	Number of businesses receiving non-financial support (numerical value)
<b>UKSPF OUTCOMES</b>	Jobs created (numerical value) Jobs safeguarded (numerical value)



<b>LOT 6</b>	<b>SUPPLY CHAIN</b>
<b>FUNDING</b>	£910,000, available April 2023 to March 2025, subject to March 2024 review.
<b>AIM</b>	Enable businesses to start, scale and grow through supply chain opportunities.
<b>OBJECTIVES</b>	<ol style="list-style-type: none"> <li>1. Maximise the supply chain opportunities arising from the significant inward investment taking place across Tees Valley.</li> <li>2. Maximise the wider UK and international supply chain opportunities for the local Tees Valley business community.</li> <li>3. Awareness raising across the business community regarding supply chain opportunities.</li> <li>4. Stimulate innovation and product development to enter new supply chain opportunities e.g., 'supply chain innovation challenges'.</li> <li>5. Provide contracting and procurement advice.</li> <li>6. Align strongly with the business start-up activities to ensure supply chain opportunities are embedded in the thinking of potential / new entrepreneurs.</li> </ol>
<b>DELIVERY</b>	In addition to the standard delivery expectations regarding online support, a programme of events, smaller cohort support and a level of targeting 1-to-1 support we would welcome innovative proposals.
<b>COLLABORATION</b>	Collaboration with the TVCA inward investment team. Collaboration with leading industry representatives including North East Process Industries Cluster (NEPIC) and Northern Offshore (NOF). Collaboration with key contract opportunity agencies e.g., North East Procurement Organisation (NEPO). Collaboration with the large industry buyers. Close collaboration with other Lot delivery partners will also be necessary to ensure a joined-up support offer to businesses.
<b>UKSPF INTERVENTION</b>	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>UKSPF OUTPUTS</b>	Number of businesses receiving non-financial support (numerical value)
<b>UKSPF OUTCOMES</b>	<p>Jobs created (numerical value)</p> <p>Jobs safeguarded (numerical value)</p> <p>Number of new businesses created (numerical value)</p> <p>Number of businesses introducing new products to the firm (numerical value)</p> <p>Number of businesses adopting new to the firm technologies or processes (numerical value)</p> <p>Number of businesses engaged in new markets (numerical value)</p>

<b>LOT 7</b>	<b>NET ZERO</b>
<b>FUNDING</b>	£2,130,000, available April 2023 to March 2025, subject to March 2024 review.
<b>AIM</b>	To enable businesses to implement net zero transitions
<b>OBJECTIVES</b>	<ol style="list-style-type: none"> <li>1. Provide practical advice, guidance, and information to enable businesses to develop and deliver net zero plans.</li> <li>2. Businesses to reduce energy costs and carbon emissions.</li> <li>3. Improve awareness of net zero and how businesses can work towards and achieve it.</li> <li>4. Provide information, advice, and support regarding the financing of net zero investment.</li> <li>5. Improve awareness of current and future regularity and legislative requirements regarding carbon emissions and net zero.</li> <li>6. Provide tailored information, advice and support that is specific to individual business sectors.</li> <li>7. Provide financial support to businesses to encourage net zero investment.</li> </ol>
<b>DELIVERY</b>	In addition to the standard delivery expectations regarding online support, a programme of events, smaller cohort support and a level of targeting 1-to-1 support, we would also like to pilot a financial support scheme, with 100% grant of £2k for net zero investment. It is proposed to ringfence £1m of the funding available for this, to provide 500 grants.
<b>COLLABORATION</b>	Collaboration with Teesside University who are undertaking research in this area and establishing the Tees Valley Net Zero Innovation Centre; the North-East Energy Hub; specialist funders in the field of net zero and energy efficiency investment; other best practice and research agencies. Close collaboration with other Lot delivery partners will also be necessary to ensure a joined-up support offer to businesses.
<b>UKSPF INTERVENTION</b>	<p>E23 – Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow, and innovate, including through local networks.</p> <p>E29 – supporting decarbonisation and improving natural environment whilst growing the local economy.</p>
<b>UKSPF OUTPUTS</b>	<p>Number of businesses receiving non-financial support (numerical value)</p> <p>Number of businesses receiving grants (numerical value)</p>
<b>UKSPF OUTCOMES</b>	<p>Greenhouse gas reductions</p> <p>Number of businesses adopting new to the firm technologies or processes (numerical value)</p>

## INDICATIVE TIMELINE

Call Opens	17 <sup>th</sup> March 2023
Call Closes	28 <sup>th</sup> April 2023 (5pm)
TVCA assessment of bids	May 2023
Recommendations to Local Partnership Group	May/June 2023
TVCA funding decision (in accordance with TVCA Assurance Framework)	May/June 2023
Applicants notified	June 2023
Project activity ends and financial completion	31 <sup>st</sup> March 2025

## WHO CAN APPLY?

Legally constituted organisations that can receive public funds can apply for UK Shared Prosperity Funds. Individuals cannot apply.

Project applicants could include, but are not limited to private, charitable, voluntary, and community sector organisations/consortiums, universities, colleges, and local authorities.

We welcome bids to deliver either individual Lots or multiple lots. If an organisation wishes to apply to be the lead organisation for multiple lots, they must complete and submit separate applications for each Lot.

We also welcome bids from single organisations or consortiums of more than one organisation.

We welcome bids from both public and private sector entities.

Proposals should reflect both the cross-cutting expectations as outlined above, together with the specific requirements as set out in each Lot.

We will not accept proposals for delivery of part of an individual Lot. In this circumstance it is recommended that entities seek to partner with other organisations to be in a position to submit a consortium proposal for the full individual Lot.

## WHAT TYPE OF BIDS ARE WE LOOKING FOR?

Projects must deliver activity that is line with the Tees Valley UKSPF Investment Plan and align with the Supporting Local Business investment priority and detailed requirements of each Lot. Innovative proposals are welcome.

As the funding available through UKSPF is revenue funding, projects that focus on the construction or major refurbishment of buildings, the purchase of land or the purchase of large pieces of equipment will not be supported.

Match funding is not mandatory however applicants are encouraged to explore their options in terms of the provision of match funding as this will increase value for money and impact of the Fund.

**It should be noted that UKSPF is a competitive process therefore applicants should carefully consider costings during the development of their project.**

## **PAYMENT TERMS**

TVCA's standard payment terms are quarterly in arrears following submission of a grant claim, however, individual terms can be discussed with successful applicants in exceptional circumstances during the contracting stage.

All projects must be financially complete by 31<sup>st</sup> March 2025

## **GEOGRAPHIC COVERAGE**

Programme delivery is required to cover the 5 Tees Valley Local Authority areas of:

- Darlington
- Hartlepool
- Middlesbrough
- Redcar and Cleveland
- Stockton-on-Tees

## **HOW BIDS WILL BE ASSESSED**

As the lead authority, Tees Valley Combined Authority (TVCA) will manage the funds and assess all bids in accordance with the [Assurance Framework](#). Bids will be assessed against:

- Gateway criteria e.g., eligibility of applicant to apply, eligibility of activity. Bids that fail to meet these criteria are ineligible for support and will be rejected.
- Extent to which they meet the objectives of UK Shared Prosperity Fund, the relevant investment priority, and the requirements of each individual Lot.
- Extent to which bids would support the delivery of local priorities identified in the Tees Valley UKSPF Investment Plan and individual Lot aims and objectives.

Scoring Criteria can be accessed [here](#).

TVCA will enter into a formal funding agreement with successful bidders. This funding agreement will be subject to an annual evaluation of performance with potential for a break clause.

## **TVCA SEPARATION OF DUTIES POLICY**

The UK Shared Prosperity Fund is a competitive process. Where TVCA staff provide support during the development of a proposal there will be a formal Separation of Duties policy in place and those staff members will not be involved in the assessment process. Staff who are part of the assessment process will not enter into discussions with bidders.

## **SUBMITTING A BID**

Bids must be submitted using the TVCA UKSPF Investment Proposal Form, which is available [here](#). Bids submitted in any other format will not be accepted. The assessment of bids will be based on information provided in the Investment Proposal Form only. Please do not attach appendices or include links to websites.

Bids must be submitted to TVCA using this email address:

[UKSPFsubmissions@teesvalley-ca.gov.uk](mailto:UKSPFsubmissions@teesvalley-ca.gov.uk)

Bids must be submitted by **5pm, 28<sup>th</sup> April 2023**

The UK Shared Prosperity Fund is a competitive process and TVCA staff involved with fund management and assessment will not enter into discussions with bidders. Clarification on points of detail can be provided. Information relating to any requests for clarification will be added to the TVCA website, so it is available to all potential bidders.

Clarification requests should be sent to [UKSPFenquiries@teesvalley-ca.gov.uk](mailto:UKSPFenquiries@teesvalley-ca.gov.uk)

Do not use this email address for submissions.

## **DUE DILIGENCE**

In order to ensure that projects can move forward quickly Lead Authorities must undertake due diligence on private sector, charitable and voluntary organisation applicants during the assessment of applications and be satisfied that the applicant is genuine and has the financial standing and sufficient capacity to deliver the proposed activity.

By submitting a bid, applicants are providing authorisation for TVCA to carry out this due diligence in the form of a credit check.

## **MONITORING AND EVALUATION**

All proposals will be required to set out how and when monitoring and evaluation will be carried out and if successful, they will be required to develop a full Monitoring and Evaluation Plan.

Project performance will be monitored against agreed targets and milestones and will be subject to an annual review each March with potential break clause in the funding agreement subject to performance.