





# UK SHARED PROSPERITY FUND DUNDEE LOCAL BUSINESS SUPPORT SME UPSKILLING

Invitation to bid opens	10:00 on Monday 13 May
Invitation to bid closes	16:00 on Wednesday 29 May
Minimum application level	£50,000
Maximum application level	£200,000
Match Funding	No specific level is required but projects with an element of in-
	kind or revenue match funding is preferred.
Timing	Projects must be completed by 31 March 2025
Application process	Apply via the online portal from
	https://www.dundeecity.gov.uk/service-area/city-
	development/planning-and-economic-development/the-uk-
	shared-prosperity-fund-ukspf
	Applications submitted late or via any other method will not be
	accepted. Please ensure you read the full guidance before
	submitting your application.

# **Intervention Specific Guidance**

# Aim of intervention

This challenge fund is focused on **SME upskilling** (UKSPF intervention S19 – Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.)

The Council recognises the importance of Dundee businesses being able to access funding for staff training to address key skills shortages within their workforce, which in turn will support economic growth at both the company and city level.

This call therefore invites applications from potential providers who can deliver skills development programmes for SMEs in Dundee, tailored towards local business needs and economic challenges and opportunities. Applicants must demonstrate in-depth knowledge of the local business ecosystem and must have existing contacts and relationships among the local business community.

# **Eligible applicants**

Any legally constituted organisation/body can apply as long as 100% of the activity takes place within Dundee City Council's boundaries and supports organisations/individuals/companies located in Dundee. Applicant organisations must have been operational for a minimum of 18 months. Priority will be given to projects that are delivered by organisations with significant knowledge of the local economy and experience of delivering expert business support to SMEs.

# **Eligible costs**

Costs may include: Events; training; expert help; business planning; programmes of support for businesses; professional fees; staff costs; consultants costs, and other justifiable expenditure relevant to delivering the project.

# The need for specific local business support

The choice of proposed interventions under the Supporting Local Businesses theme aims to ensure that businesses in the city have the funding and support necessary to increase their productivity and capacity for growth. UKSPF Dundee funding is aimed at addressing the opportunities and challenges being experienced by the local business community, as set out below.

- The <u>Tay Cities Regional Economic Strategy 2019-2039</u> sets out the economic performance of Tayside, along with the vision and targets for the region in respect to business growth and entrepreneurship. The overarching ambition is to increase the number of businesses and to create more, better-paid jobs across the Tay Cities Region in order to improve access to opportunity and increase the distribution of wealth and wellbeing within the area. Key aims are to align skills development with opportunities within the key growth sectors, and enhance the support for business start-ups, small business growth, and exporting potential.
- The Scottish Government's <u>Businesses in Scotland 2023</u> report shows that between March 2022 and March 2023, the estimated number of businesses decreased by 5.6%.
- In 2022 the business death rate (11.8%) was higher than the business birth rate (11.5%). This is the first time this has happened since 2010.
- According to the ONS, only 37.5% of new businesses in Dundee are still operating five years after starting, compared to the Scottish average of 40.5%.
- As of the second quarter of 2023 exports from Scotland amounted to almost £27 billion, while imports amounted to £32.83 billion, resulting in a trade deficit of £5.74 billion.
- The <u>New Startup Index</u> shows that in 2023 40,700 new businesses were created in Scotland, an increase of 12% from the previous year.
- The <u>FSB index Q3 2023</u> found that access to appropriately skilled staff is a barrier to growth for 22% of small businesses. In the information and communication sector, it is 38.3%.
- According to a <u>regional skills analysis</u> by Skills Development Scotland, 66% of Scottish employers anticipate the need the upskill their employees. The skills identified for upskilling are complex analytical skills (45%), digital skills (49%) and operational skills (58%).
- The same analysis shows that in terms of the future demand for skills in the long-term (2026-2033)
   Dundee will require an additional 25,700 people in its workforce, with 61% of these having a qualification SCQF 7 or above.
- Figures from ONS suggest that businesses that export, while only being 3% of the business base in Scotland, account for 60% of UK annual productivity growth and are, on average, 70% more productive than businesses that don't export.

The UK Government's 2021 <u>Export Strategy: Made in the UK, Sold to the World</u>, commits to
encouraging and inspiring businesses that can export but have not started or are just beginning
their exporting journey. It also aims to support businesses by providing information, advice and
practical assistance on exporting from the public or private sector, and their peers.

#### Plans to consider include:

- Dundee City Council City Plan 2022-2032
- Tay Cities Regional Economic Strategy
- Scotland's National Strategy for Economic Transformation gov.scot (www.gov.scot)
- UK Shared Prosperity Fund Supporting Local Business theme
- Levelling Up White Paper
- Scotland's Vision for Trade (www.gov.scot)
- Scotland: A Trading Nation
- Scotland's National Innovation Strategy 2023 to 2033

# **Intervention Specific Questions**

In addition to the information contained in the general application guidance on responding to the core questions you should also consider the following in your response to the questions:

- How will you identify businesses to be supported?
- What previous experience of delivering upskilling support to businesses does your organization have? Please provide examples of delivery models.
- How will your proposal support the upskilling of the SME base in the city and what outcomes are anticipated as a result of this engagement?

## **Outputs and Outcomes**

## Outputs:

- Number of businesses receiving grants
- Number of R&D active businesses
- Number of businesses receiving non-financial support
- Number of businesses receiving financial support other than grants
- Number of potential entrepreneurs assisted to be business ready

## Outcomes:

- Increased number of innovation active SMEs
- Increased amount of investment
- Number of organisations engaged in new knowledge transfer activity
- Number of businesses adopting new or improved products or services
- Jobs created and/or safeguarded
- Number of businesses with improved productivity
- Increased number of businesses engaged in new markets
- Increased share of early-stage firms which generate or increase their revenue

Applicants must also provide a baseline figure in order that we can measure progress in achieving the outcomes and outputs.

### **Further Information**

UK Shared Prosperity Fund: overview (1) - GOV.UK (www.gov.uk)

UK Shared Prosperity Fund: outputs and outcomes definitions (2) - GOV.UK (www.gov.uk)

UK Shared Prosperity Fund: reporting and performance management (3) - GOV.UK (www.gov.uk)

<u>UK Shared Prosperity Fund: monitoring and evaluation (4) - GOV.UK (www.gov.uk)</u>

UK Shared Prosperity Fund: assurance and risk (5) - GOV.UK (www.gov.uk)

UK Shared Prosperity Fund: branding and publicity (6) - GOV.UK (www.gov.uk)

UK Shared Prosperity Fund: subsidy control (7) - GOV.UK (www.gov.uk)

UK Shared Prosperity Fund: procurement (8) - GOV.UK (www.gov.uk)

UK Shared Prosperity Fund: equalities (9) - GOV.UK (www.gov.uk)

**UK Subsidy Control Statutory Guidance**