



UK Shared Prosperity Fund

Supporting Local **Business Prospectus**

Greater London Authority

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Introduction and Overview

The UK Shared Prosperity Fund

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. The Greater London Authority (GLA) has been designated a 'lead authority' by the government and will administer the programme in London. London will receive £144m UKSPF, of which £30m is being made available for this call.

The GLA and London Councils have been working closely to develop use of the UKSPF in London. The London UKSPF investment plan was co-designed with London Councils, based on the shared priorities of the London Recovery Board's Economic Recovery Framework, which was established in response to the pandemic. The partnership between GLA and London Councils will continue throughout the lifetime of UKSPF.

This prospectus has been co-designed with London Councils and in collaboration with stakeholders.

UKSPF Investment Priorities

There are three UKSPF Investment Priorities:

- Communities and Place (where funding is being directly allocated to London boroughs)
- People and Skills (which will be allocated in 2024-25 only)
- · Supporting Local Business.

Supporting Local Business

The UKSPF Supporting Local Business investment priority is designed to create jobs and boost community cohesion, by supporting local businesses through networking, collaboration, and stimulating innovation and growth. The GLA, in partnership with London Councils, has allocated £62m of UKSPF (revenue) funding to this priority. Of this £62m, £13m will enable business support activity in local communities; and approximately £19m will support London's everyday businesses and growth sectors.

£30m is being allocated via an open call. This prospectus launches London's invitation to bid for applications under the Supporting Local Business investment priority.

The £30m is available to support eight programmes of activity, which deliver against four government-prescribed interventions, detailed below.

- **E19** Increasing investment in research and development at the local level. Investment to support the diffusion of innovation knowledge and activities. Support the commercialisation of ideas, encouraging collaboration and accelerating the path to market so that more ideas translate into industrial and commercial practices.
- **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 the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings, and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods, and services to take advantage of the growing global opportunity.
- **E30** Business support measures to drive employment growth, particularly in areas of higher unemployment.
- 1. The eight programmes, which fit within the four interventions listed above, are as follows:
- 2. Innovation
- 3. Supplier-readiness
- 4. Supporting small and medium-sized enterprises (SMEs) to bridge the digital divide
- 5. Growing the local, social economy
- 6. Property advice service for SMEs
- 7. Low carbon
- 8. Support for fast-growing diverse founders
- 9. Investment-readiness support for diverse founders/SMEs.

Applicants are invited to submit applications against one or more of these eight programmes, each of which is designed to meet government's interventions. If submitting multi-programme applications, applicants should ensure that proposals are presented holistically.

Speculative applications, or those that do not align with the investment plan and one of the eight programmes listed above, will not be successful.

Notional allocations have been devised for each programme, although the actual award may vary depending on the quality of applications received. Applicants are advised that the funding available is much more limited by comparison with previous support provided

in this area in recent years through the European Regional Development Fund and Local Economic Action partnership programmes

The GLA reserves the right to award more than £30m if funding becomes available.

Strategic context: Economic Recovery Framework

In London, the Mayor of London and London Councils¹ developed an Economic Recovery Framework to address the impact of the COVID-19 pandemic on Londoners and London businesses, working closely with London boroughs and sub-regional partnerships. The framework has been endorsed by the London Recovery Board, which includes business and community leaders, and sets out a framework for action for dealing with the structural changes to London's economy and fostering economic recovery via five pillars: Jobs, Business, Thriving Neighbourhoods, Connected City and Global London.

The framework seeks to coordinate action between the different levels of London government, including central government, business, and key organisations such as anchor institutions.

It is this Economic Recovery Framework on which London's interpretation of the 'Supporting Local Business' investment priority has been based. Activity funded under Supporting Local Business will support local businesses to thrive, innovate and grow.

UKSPF Investment Plan for London

The government invited the GLA to draft an investment plan that set out how London's £144m allocation would be used, and what it would achieve. It is available here. It is against this plan that government will assess London's success in utilising UKSPF. Applications submitted under this call will need to align strategically; and to deliver activity, outputs and outcomes that support the investment plan.

Cross-cutting principles

There are four themes that cut across all UKSPF activity in London and should be reflected in applications. These are detailed below.

Achieving net-zero

We are facing a climate emergency. In 2021 the Mayor of London brought forward London's net-zero target for greenhouse gas emissions from 2050 to 2030, in response to the need for more urgent climate action. London's business sector produces around one-

¹ London Councils is **the collective of local government in London**. It represents London's 32 boroughs and the City of London Corporation.

third of London's greenhouse gas emissions. The sector needs capacity and resources to enable it to respond, particularly at the SME level, to decarbonise their buildings and businesses, whilst growing the low carbon and environmental goods and services (LCEGS) sector.

The Mayor and London Councils are committed to tackling the climate and ecological emergencies and improving air quality. This means embedding environmental goals in all activity funded by the UKSPF. Environmental activity should also support good jobs; help tackle inequalities; and grow London's economy. See section 4 for more information.

Equality, diversity, and inclusion (EDI)

In 2022 the London Recovery Board published its 'Building a Fairer City' report addressing structural inequalities across London. One of the report's 14 key actions is to increase opportunities for London's diverse businesses, and voluntary and community-sector organisations.

This message is reinforced by research outlining how Black, Asian and Minority Ethnicowned SMEs have been hit hard by the COVID-19 pandemic. This is due to the sectors in which they tend to operate; and to broader structural inequalities faced by these businesses, as noted in reports such as 'BAME business owners Covid-19 response' (All-Party Parliamentary Group for Black, Asian and Minority Ethnic business owners, 2020); 'Time to Change' (NatWest Bank and the Centre for Research in Ethnic Minority Entrepreneurship, 2022); and 'Alone Together', a report on entrepreneurship and diversity in the UK (British Business Bank, 2020).

Recovery support should be focused on the businesses that need it most, and the UKSPF is tasked to ensure these goals are achieved. Please see section 3 for more information.

The GLA has designed this prospectus and the application form to ensure applicants consider the needs of diverse and Black, Asian and Minority Ethnic-owned businesses at every stage of the design, delivery and evaluation of your application. More information on the assessment process can be found later in this document.

Improving the SME customer journey

In his 2021 manifesto, the Mayor committed to improving the experience of SMEs accessing support:

"...with a range of programmes helping start-ups and scale-ups across the key sectors of our economy... to further transform small business support in London, with a single front door so business owners and aspiring entrepreneurs can easily access the right advice and support".

The Mayor launched the London Business Hub and Wayfinder (a 'single front door' service) for this purpose. The GLA encourages business support programmes, supported by the Mayor to follow a common approach to design, development, and delivery. This common approach covers the following areas, and seeks to support a simplified customer journey and better customer experience:

- where relevant, delivering support locally, in partnership with boroughs but also in a way that is scalable
- building on existing, successful programmes, rather than creating new ones, wherever possible
- prioritising businesses that have been hard hit by the pandemic and the cost-of-living crisis – including small and micro businesses owned by Black, Asian and Minority Ethnic individuals, women and disabled individuals and ensuring such businesses or business groups are engaged in the design of projects
- signposting supported businesses to the London Business Hub and the Wayfinder service (where available), and not competing with these services
- adding support programmes to the London Business Hub's business support database
- · publishing success stories and case studies on the London Business Hub
- using the phrase 'Supported by the Mayor of London' on all marketing material.

In order to improve the customer journey, and to ensure businesses are receiving the support they need, all successful applicants funded through the UKSPF will be required to regularly provide management information about the delivery and impact of their project. We will require all applicants to issue and collate exit surveys from the businesses they support; the output and outcome guidance and the grant funding agreement will specify the requirements.

Working with London boroughs

The GLA expects London boroughs to be actively involved with UKSPF projects. Successful applicants should contact relevant boroughs to establish and maintain appropriate engagement during the delivery of the project.

Supporting Local Business: programmes

The following section sets out the eight programmes that are being supported under this call.

- 1. Innovation
- 2. Supplier-readiness
- 3. Supporting SMEs to bridge the digital divide
- 4. Growing the local, social economy
- 5. Property advice service for SMEs
- 6. Low carbon
- 7. Support for fast-growing diverse founders
- 8. Investment-readiness support for diverse founders/SMEs

Applicants can apply to deliver one or more of the eight programmes. Applicants can submit a separate application for each programme; or a multi-programme application, which covers two or more of the eight programmes. Applicants must clearly specify the activities to be delivered and illustrate how they directly contribute to the selected programme(s).

There is a risk that multi-programme applications seek to deliver a broad and watereddown range of activities. Applicants must therefore ensure that multi-programme applications are designed holistically and do not comprise separate activities artificially combined into one proposal.

Multi-programme applications must be reflected in the logic model, available here. Applications will be scored based on how effective the combination of activities works together holistically.

You must select the appropriate outputs and outcomes and state the amount of funding required for each of the programmes you are proposing to deliver. You will also have to monitor and report outputs/outcomes by programme and by intervention.

Programme descriptions

The information below sets out each of the eight programmes. This includes the notional amount of funding available; the geographical area for project delivery; the policy context; and the objectives. The tables list the indicative activities against which you can apply for UKSPF funding and which we are looking to fund.

Programme 1: Innovation

Notional allocation: £6m

Geographical scope

To allow for a balanced delivery of innovation activities across London. As part of the selection process the GLA will take into consideration the geographical spread of innovation projects.

Policy context

Innovation is key to supporting productivity gains across all sectors. In the long term, improvements in productivity can enable increases in living standards and support the conditions for good growth. With the allocation of UKSPF funding, we will support the adoption of existing technologies; improve business management and leadership practices; invest in skills, support greater investment in R&D; and foster collaboration and opportunities to harness London's global strengths in science, technology, and innovation.

London's strong research base can be used to enhance and sustain an innovation-friendly business environment, enabling businesses to lead, collaborate on and benefit from R&D and innovation activity.

Addressing market failures relating to R&D and knowledge transfer, innovation diffusion, skills and capacity, lack of diversity, and funding, will enable businesses to better leverage London's thriving innovation ecosystems. This can lead to the commercialisation of new products and processes, exploitation of knowledge-intensive sectors, increased productivity, and good growth for London and Londoners.

Objectives

The objectives for this activity area are detailed below.

Innovation diffusion: clusters and collaboration. Strengthening the conditions for the potential of innovation to be realised through enhancing innovation diffusion, promoting R&D investment, and the development of clusters in key growth sectors. Priority sectors include digital and tech, life sciences, culture and creative industries and the low-carbon circular economy. * In sectors where physical proximity is advantageous for collaboration, clusters may have a sub-regional focus within London. For those where proximity is less critical, cluster activity may be focused on strengthening pan-London networks within a specific high-growth sector.

Creating and scaling innovations: bringing innovations to market and accelerating adoption. Accelerating the adoption of innovation, with a focus on improving industrial and

commercial practice; and catalysing the adoption of advanced technology. Also, innovations that improve health, environmental, social and economic outcomes in London.

Growing the impact economy. Creating an economic environment in which socially and environmentally oriented businesses can grow and thrive. Also, facilitating access to finance and supporting collaborations to develop radical new approaches to meeting urgent challenges for Londoners, and creating economic growth. This may include experimentation with new models required to sustain new products and services (such as business model experimentation).

*Support for the low-carbon circular economy is also supported under E29.

Indicative activities which the GLA is looking to fund

UKSPF projects are expected to contribute towards achieving the above objectives through the following activities:

- Funding and support for applied R&D projects. Bridging the gap between fundamental research and commercial application.
- Open innovation/mission-led innovation challenge. Supporting collaborations to develop radical new approaches to meeting urgent challenges for Londoners.
- Collaborative knowledge transfer projects. Ensuring adequate support that facilitates
 knowledge spillovers and market exploitation of innovative products and services. Such
 projects would include mechanisms to facilitate strong interaction between universities,
 businesses and other key actors; enable innovations to be patented and
 commercialised; and support individuals to enhance the quality of spinouts and startups from within higher education institutions.
- Support and mentoring for innovative entrepreneurs.
- Convening potential investors and/or adopters to enable inclusive design and development of new solutions and pathways to uptake.

Applications may include a combination of these activities, or other activity which delivers the above objectives.

Applications must describe how project activity will address EDI issues, for example targeting diverse and under-served businesses.

Specific conditions

Not applicable.

Outputs and outcomes

Applicants applying against this programme must deliver one or more of the outputs and one or more of the outcomes listed below. In addition, projects will also be required to deliver against relevant EDI outputs.

Outputs:

- number of enterprises receiving non-financial support
- · number of enterprises receiving grants.

Outcomes:

- · number of enterprises adopting new or improved products or services
- number of organisations engaged in new knowledge transfer activity following support
- · number of new to market products
- estimated carbon dioxide equivalent reductions as a result of support
- number of enterprises with improved productivity.

Associated intervention

This programme aligns with UKSPF intervention E19.

Programme 2: Supplier-readiness

Notional allocation: £3m

Geographical scope: London

Policy context

The Mayor of London and the London Recovery Board want SMEs across London to be 'supply-ready'.

'Supplier-readiness' refers to supporting businesses to take advantage of market opportunities, and thus become fit to supply goods and services to other businesses, domestically and globally. It also refers to supporting these businesses to deliver on the growing importance of social value expectations embedded in public sector procurement requirements.

Being supplier-ready can help in identifying new customers and market opportunities; increasing outreach; and innovating. This can lead to increased competitiveness, sales and profit. Supporting supplier-readiness helps to develop local economies and high street demand and strengthens local communities.

However, many SMEs are not positioned to take advantage of such opportunities, particularly those from under-served communities across London.

The Mayor of London is committed to supporting under-represented and diverse entrepreneurs and businesses. Many small, local London businesses – especially those run by Black, Asian and Minority Ethnic individuals, disabled people and women – miss out on tenders for public or voluntary contacts. Yet their specific experience and expertise brings a wider social value to the product or service they can supply. We need to take steps to ensure that more expenditure in the supply chain is directed to local, micro or small diverse, minority-owned businesses; and that those businesses are fit and ready to respond to these opportunities.

Applicants should consider designing support for SMEs in sectors most adversely impacted by the COVID-19 pandemic, and in under-served communities. The nature of the support for these groups should be designed specifically for these communities, with culturally sensitive, appropriate outreach and marketing activities.

Many large organisations could do more to facilitate access to procurement opportunities for SMEs owned by Black, Asian and Minority Ethnic people, and under-represented communities. In collaboration with some of London's largest 'anchor institutions', the Mayor is working to achieve this goal via the London Anchor Institutions' Network (LAIN). Applicants will be expected to complement the work of LAIN in the delivery of their project.

Objectives

The objectives for this activity area are:

- to support SMEs to be aware and take advantage of new supply chain and market opportunities in the public and private sectors
- to improve the capacity of SMEs in under-served communities to be fit to supply through training, advice and support
- to take advantage of public-sector procurement requirements for: ensuring social value, and a drive for sourcing goods and services within the local economy; and diversifying the supplier base to the benefit of SMEs
- to develop and sustain the brokerage required between buyers, larger contractors and SMEs; and increasing SME awareness and buyer engagement by matching needs and opportunities.
- to ensure that activity reflects the buying needs of anchor institutions; and that SMEs can progress to bid for, and ultimately win, contracts from anchor institutions.

Indicative activities which the GLA is looking to fund

- UKSPF projects are expected to contribute towards achieving the above objectives through activities such as:
- tailored support programmes which could include one-to-one mentoring, coaching, one-to-few technical assistance sessions and/or one-to-few meet-the-buyer events
- identifying tender opportunities in the public and private sectors
- supporting the business to prepare bid documentation e.g. pre-qualification questionnaires
- training SMEs on how to pitch for tenders
- · advising on financial and business management
- advising on how to become a supplier to public-sector anchor institutions, and how to understand their procurement processes
- supporting the business to understand the anchor institutions' needs, in terms of supply quality, timeliness, ability to ramp up or down, customer service, certifications/purchasing requirements.

Applications may include a combination of these activities, or other activity which delivers the above objectives.

Applications must describe how project activity will address EDI issues, for example targeting diverse and under-served businesses.

Specific condition

Applicants should consider designing support for SMEs in sectors most adversely impacted by the COVID-19 pandemic, and in under-served communities. The nature of the support for these groups should be designed specifically for these communities, with culturally sensitive, appropriate outreach and marketing activities.

Outputs and outcomes

Applicants applying against this programme must deliver one or more of the outputs, and one or more of the outcomes, listed below.

Please note that not all outputs and outcomes will be relevant. Applicants should decide which outputs and outcomes are suitable for their project.

In addition, projects will also be required to deliver against relevant EDI outputs.

Outputs:

- number of enterprises receiving non-financial support
- number of enterprises receiving grants
- number of potential entrepreneurs assisted to be enterprise-ready.

Outcomes:

- jobs created
- jobs safeguarded
- number of enterprises adopting new or improved products or services
- number of new enterprises created
- number of enterprises engaged in new markets.

Associated intervention

This programme aligns with UKSPF intervention E23.

Programme 3: Supporting SMEs to bridge the digital divide

Notional allocation: £6m

Geographical scope: London

Policy context

There are structural barriers to business digitalisation and digital transition, which have disproportionally affected those SMEs most impacted by the pandemic. These barriers are detailed below.

- There is a connectivity gap relating to SMEs accessing high-speed broadband, where slower internet connectivity affects not only productivity and operations, but also the adoption of new technologies.
- Many SMEs have inadequate digital skills, knowledge and access to advice and support
 to maximise their digital opportunities or potential. This includes adapting business
 models to include digital operations; developing software and technology solutions;
 using digital tools; operating digital services (i.e., online sales, social media); and
 understanding government policy and legal requirements on data.
- With digitalisation, there is also a significant risk from an increased opportunity for cybercrime.

The many benefits to digital transition include better efficiency and productivity; better analysis of performance; improved resource management; and greater revenue opportunities. However, smaller businesses in London are lagging behind this transition, and resources are needed to redress this.

Objectives

The objectives for this activity area are:

- to support SMEs to access faster broadband (revenue funding only)
- to support businesses making productive use of digital technologies, with a particular focus on under-served communities
- to facilitate the growth capability of businesses through digital strategies and operations and protect against cybercrime.

Indicative activities which the GLA is looking to fund

Across the objectives above, applicants should understand business needs and barriers to access; and consider appropriate geographic coverage such as borough, cross-borough or pan-London.

Relevant stakeholder engagement should be undertaken to minimise duplication in areas and to ensure attempts to address structural inequality are designed into project design and delivery.

UKSPF projects are expected to contribute towards achieving the above objectives through activities such as the following:

- To support SMEs to access faster broadband (only revenue costs are eligible. Capital costs are ineligible):
 - Assist businesses in accessing faster broadband. Connections must offer at least a doubling of existing speeds.
 - Applicants may consider assisting single and clusters of businesses, and (where appropriate) landlords. Where multiple businesses benefit, each business will count towards outcomes.
- Support businesses making productive use of digital technologies:
 - Actions may include provision of advice on software and technology solutions that will result in benefits such as increased efficiency, improved processes and productivity. For some groups this advice may be entry-level support for digital skills and building digital confidence.
 - Applicants need to have knowledge of software and technology solutions across categories such as accounting and finance, data and analytics, and stock and inventory. Potential business pathway elements include a platform; diagnosis; software and technology advice and support towards business goals; one-to-one support; sector-specific workshops; and grants (to adopt technologies). Knowledge and information provision needs to be up to date due to rapid changes in technology.
 - Where there is a case for other specialist (for example, cyber-security, digital connectivity) or sector-specific interventions, applicants should provide robust evidence of need, demand and benefits linking to outputs and outcomes.
- Facilitate the growth capability of businesses through digital skills, strategies and operations:
 - Business support should develop and maximise digital business strategies and operations. Potential support avenues include diagnosis; production and implementation of development plans; support and advice; workshops; and facilitation of peer-to-peer knowledge exchange.
 - The impact of support captured at evaluation could result in, for example, an online presence (website, social media); increased online sales; improved

SEO position; effective social media marketing; improved security of data, and better understanding of digital platforms.

Applications may include a combination of these activities, or other activity which delivers the above objectives.

Applications must describe how project activity will address EDI issues, for example targeting diverse and under-served businesses.

Specific condition

Applicants should consider designing support for SMEs in sectors most adversely impacted by the COVID-19 pandemic, and in under-served communities. The nature of the support for these groups should be designed specifically for these communities, with culturally sensitive, appropriate outreach and marketing activities.

Outputs and outcomes

Applicants applying against this programme must deliver one or more of the outputs, and one or more of the outcomes, listed below.

Please note that not all outputs and outcomes will be relevant. Applicants should decide which outputs and outcomes are suitable for their project.

In addition, projects will also be required to deliver against relevant EDI outputs

Outputs:

- · number of enterprises receiving non-financial support
- number of enterprises receiving grants
- number of potential entrepreneurs assisted to be enterprise-ready.

Outcomes:

- · iobs created
- jobs safeguarded
- number of enterprises adopting new or improved products or services
- number of new enterprises created
- number of enterprises engaged in new markets
- premises with improved digital connectivity. (We fully anticipate this outcome to be reported under E23 so please report against it, if applicable for your application (it is currently under E29 in the UKSPF investment plan for London, and we await confirmation from the government.)

Associated intervention

This programme aligns with UKSPF intervention E23.

Programme 4: Growing the local, social economy

Notional allocation: £3m

Geographical scope: London

Policy context

Growing the local, social economy refers to supporting the development of locally owned, social and democratic business models, including:

- social enterprises/community interest companies
- · cooperatives
- · municipal enterprises

These 'generative' businesses are fundamental building blocks for flourishing local economies. Social and economic value is prioritised over profit, and they distribute wealth across the local economy in a number of ways: hiring local people; using supply chains; investing in assets; and sharing surpluses with workers and consumers.

These businesses often offer solutions to some of London's most pressing needs – including poor health, job security, the climate emergency, reducing consumption and the impact of recent crises (i.e., the cost-of-living crisis).

Challenges faced by these businesses include: difficulty accessing tailored support; raising capital and accessing procurement opportunities and increasing operating costs.

In his 2021 manifesto, the Mayor committed "to provide support for more democratic business models like cooperatives, mutuals, social enterprises, employee-owned, municipally-owned and community-owned businesses". The GLA's Economic Recovery Framework for London and High Streets for All agendas further align with this commitment – to support small businesses and grow London's 'social economy'. There is an opportunity to connect these businesses to initiatives championed by the Mayor, that exemplify best employment practice – such as the Good Work Standard and the London Living Wage.

Objectives

The objectives and priorities for this activity area are as follows:

 Support the growth and development of new and existing social and democratically owned businesses: To allow them to establish, grow and thrive in London – including targeted support at all stages of business development – from incubation to growth and maturity.

- Develop new approaches to growing the local, social economy in London: To pilot new approaches to support social and democratically owned businesses across London (i.e., local, sub-regional, pan-London); and test new models and ideas that generate social and economic value.
- Increase awareness of the social, local economy: To promote the benefits and opportunities of social and democratically owned business models focusing on engaging with under-represented groups and communities (i.e., women; Black, Asian and Minority Ethnic groups; people with disabilities; and people from low-income backgrounds and areas of high deprivation) and encourage knowledge sharing and good practice across the ecosystem.
- Focus on priority and emerging sectors: Support social and democratically owned businesses in key priority and emerging sectors, including adult social care, housing, food, technology, low carbon and environmental goods sector (LCEGS), engineering and skilled trades.
- Alignment to strategic priorities: Support social and democratically owned businesses that provide goods, services and innovations that address other strategic priorities for London, including narrowing structural inequalities, achieving net-zero, building the green economy, good work and the cost-of-living crisis.

Indicative activities which the GLA is looking to fund

UKSPF projects are expected to contribute towards achieving the above objectives through the following activities:

- **Incubator and accelerator programmes:** fixed-term, cohort-based programmes that deliver structured learning and expert advice for social and democratically owned businesses (possibly focusing on certain sectors and strategic priorities).
- Mentoring schemes: One-to-one support from 'role models' such as successful founders of social enterprises and cooperatives – offering advice and guidance for aspiring entrepreneurs (possibly focusing on aspiring entrepreneurs from underrepresented groups or communities).
- **Grant programmes:** Small grant schemes to fund start-up social enterprises and cooperatives with a wraparound support offer (possibly focusing in on certain sectors and strategic priorities).
- Outreach and engagement: 'Pre-technical' support and outreach to targeted communities and areas – to increase awareness of social and democratic business models; build peer networks; and connect with aspiring entrepreneurs from underrepresented groups or communities.

• Other examples: Peer-to-peer learning; developing (or enhancing existing) networks to share knowledge and best practice; delivery 'hubs' (such as cooperative development agencies and affordable workspaces).

Applications may include a combination of these activities, or other activity which delivers the above objectives.

Applications must describe how project activity will address EDI issues, for example targeting diverse and under-served businesses.

Specific condition

Applicants should consider designing support for SMEs in sectors most adversely impacted by the COVID-19 pandemic, and in under-served communities. The nature of the support for these groups should be designed specifically for these communities, with culturally sensitive, appropriate outreach and marketing activities.

Outputs and outcomes

Applicants applying against this programme must deliver one or more of the outputs, and one or more of the outcomes, listed below.

Please note that not all outputs and outcomes will be relevant. Applicants should decide which outputs and outcomes are suitable for their project.

In addition, projects will also be required to deliver against relevant EDI outputs.

Outputs:

- number of enterprises receiving non-financial support
- number of enterprises receiving grants
- number of potential entrepreneurs assisted to be enterprise-ready.

Outcomes:

- · jobs created
- jobs safeguarded
- number of enterprises adopting new or improved products or services
- number of new enterprises created
- number of enterprises engaged in new markets.

Associated intervention

This programme aligns with UKSPF intervention E23.

Programme 5: Property advice service for SMEs

Notional allocation: £750,000

Geographical scope: London

Policy context

The availability and affordability of premises has been a growing challenge for London's SMEs. Added to this, business rates remain one of the largest expenditure categories in SMEs' budgets; they are less likely to be eligible for small business rates relief due to the cost of commercial rents in London.

In the last few months SMEs have also been facing sharp increases in energy and fuel prices which make starting, running and growing a business a significant challenge. A business rates revaluation will take place in April 2023, adding further uncertainty for businesses with rate rises anticipated.

Small businesses often lack knowledge around commercial leases, making it difficult to negotiate reasonable deals with their landlords. These challenges are often exacerbated by a lack of financial resources to access effective and appropriate property advice.

Similarly, commercial property law is a specialist field, the consequence of this is that businesses may sign leases that they do not fully understand, and thus may incur significant liabilities from which it is difficult to withdraw. This can lead to serious financial problems.

Since 2017 the London Business Hub has delivered a successful Property Advice Service initiative that provides free advice and guidance to micro businesses and SMEs on topics related to the tenant-landlord negotiation and business rates. Under the UKSPF we aim to continue delivering this initiative and are widening its remit to include support on energy costs.

Objectives

The objectives for this activity area are:

- to support SMEs' consolidation and growth by providing advice and guidance on matters relating to commercial property arrangements
- to build on the success of the current Property Advice Service, and include support to SMEs dealing with the rising costs of energy
- to ensure SMEs have relevant and current information on lease management; and to create a knowledge bank of advice for SMEs, hosted on www.businesshub.london.

Indicative activities which the GLA is looking to fund

UKSPF projects are expected to contribute towards achieving the above objectives through the following activities:

Development of online guidance content:

- Update, develop and create a range of online guidance content in any format that summarises legal rights; managing leases; frequently encountered lease clauses, how they operate, and their implications; how to negotiate with landlords; and understanding other occupation costs – such as business rates, and opening and closing premises.
- This content should be developed with a team of commercial agents/surveyors and property lawyers. The content should cover issues specific to various sectors, types of business and types of property.
- The content will be published on the London's Growth Hub website and made available free of charge. Content will need to be easy to understand.
- Masterclasses/webinars covering similar topics to those mentioned above, sessions
 could provide an opportunity for small and growing businesses to learn about
 commercial property; how to find appropriate premises; how to budget when moving to
 new premises; implications of business rates including reliefs and the impact of
 revaluations, etc.
- Individual advice sessions free one-to-one business support and advice sessions tailored to specific needs. The sessions will be delivered by professional experts such as commercial agents/surveyors, and/or property lawyers or accountants, where relevant.
- Specialist advice sessions on energy efficiency how SMEs can achieve savings on their electricity, gas and fuel bills on their property. This includes details on the government's energy bill relief scheme for non-domestic premises, which will be in place until at least 31 March 2023. Note: there is no corresponding energy-efficiency outcome for programme 5.

Applications may include a combination of these activities, or other activity which delivers the above objectives.

Applications must describe how project activity will address EDI issues, for example targeting diverse and under-served businesses.

Specific conditions

The project start date should not be prior to 1st April 2023.

Applicants should consider designing support for SMEs in sectors most adversely impacted by the COVID-19 pandemic, and in under-served communities. The nature of the

support for these groups should be designed specifically for these communities, with culturally sensitive, appropriate outreach and marketing activities.

Outputs and outcomes

Applicants applying against this programme must deliver one or more of the outputs, and one or more of the outcomes, listed below.

Please note that not all outputs and outcomes will be relevant. Applicants should decide which outputs and outcomes are suitable for their project.

In addition, projects will also be required to deliver against relevant EDI outputs.

Outputs:

- number of enterprises receiving non-financial support
- number of enterprises receiving grants
- number of potential entrepreneurs assisted to be enterprise-ready.

Outcomes:

- · jobs created
- · jobs safeguarded
- number of enterprises adopting new or improved products or services
- number of new enterprises created
- · number of enterprises engaged in new markets.

Associated intervention

This programme aligns with UKSPF intervention E23.

Programme 6: Low carbon

Notional allocation: £6.9m

Geographical scope: London

Policy context

Greening all business

London is recognised as one of the global cities leading the transition to a low-carbon circular economy; London's economy needs to continue to flourish, creating opportunities for its businesses and jobs for its citizens, whilst also reducing its carbon and resource intensity year on year.

To reach London's net-zero goals all businesses will need to address their environmental impact; from the impact of their buildings, travel and supply chains, to the products and services they produce.

London's businesses must develop the skills, knowledge and expertise needed to be highly competitive in the low-carbon circular economy, allowing them to gain greater market share and maximise the market opportunities across the value chains that are being created.

Retrofit

Retrofit is crucial to London's efforts to tackle climate change and reach net zero: two-thirds of the city's carbon emissions come from buildings. Improving the efficiency of homes is also vital for tackling the cost-of-living crisis, particularly for the rising number of fuel-poor Londoners.

Making our buildings greener and warmer will also increase employment, with tens of thousands of direct jobs created in the 2020s according to the Mayor of London's report London Net Zero 2030: An Updated Pathway. This measure is vital, as part of London's mission to become carbon neutral as quickly as possible.

Low Carbon and Environmental Goods Sector (LCEGS)

London's innovative environmental and economic policies, coupled with national regulation, are driving the transition to a low-carbon circular economy, catalysing demand for its burgeoning LCEGS.

London's LCEGS sector – a measure of the green economy – had sales worth £48bn in 2019-20 and includes businesses operating in waste and water management; building technologies; renewable energy; low-emissions vehicles; and carbon finance.

The Mayor wants to build on the growth of this sector, and his Green New Deal mission aims to double the size of the green economy in London to £100bn by 2030.

Objectives

The objectives for this activity area are as follows:

· Greening all businesses:

- to provide environmental business support and performance advice for energy, water, waste, transport, circular economy and supply chains.
- to provide support on effective environmental management for example;
 peer-to-peer learning and knowledge transfer, training programmes for environmental management and business transformation.

Retrofit:

- to help decarbonise and reduce the environmental impact of all types of buildings (domestic and non-domestic) and associated assets
- to accelerate current rates of retrofit/building improvement to meet London's net-zero ambitions
- to make the most effective use of the funds available under UKSPF by building a pipeline of projects in the capital that will deliver net zero

This will help London to be 'retrofit-ready' and allow organisations to use different non-UKSPF capital funding mechanisms to deliver decarbonisation measures as they become accessible.

· LCEGS:

- to support the growth and development of new and existing low-carbon, circular economy businesses
- to allow SMEs to grow, remain and thrive in London, including targeted support at all stages of business development – from incubation to growth and maturity
- to develop new approaches to growing the green economy in London (i.e., local, sub-regional, pan-London)
- to increase the awareness of the green economy, promoting the benefits and opportunities of low-carbon, circular business models – with a particular focus on outreach and engagement with under-represented groups and communities – and to encourage knowledge sharing and good practice across the ecosystem
- to support low-carbon, circular businesses that provide goods, services and innovations that address strategic priorities for London, including narrowing

structural inequalities, achieving net-zero, building the green economy, doing good work and addressing the cost-of-living crisis.

Indicative activities which the GLA is looking to fund

UKSPF projects are expected to contribute towards achieving the above objectives through activities such as:

- environmental business support and audits e.g., energy, water, waste, transport, circular economy and supply chain
- development of toolkits to improve environmental performance
- technical support to help decarbonise buildings and associated assets; for example, identifying opportunities to reduce energy use and decarbonise heat and electricity; and developing project proposals and business cases
- low-carbon grants or innovation vouchers to enable business transformation, and sustainable product and service development; and to bring new products and services to market
- training programmes and peer-to-peer events for businesses on environmental management and performance
- incubator and accelerator programmes for LCEGS businesses
- mentoring schemes: one-to-one support from 'role models' such as successful founders of LCEGS enterprises
- outreach and engagement: 'pre-technical' support and outreach to target underrepresented businesses – to increase awareness of LCEGS business models, build peer networks and connect with aspiring entrepreneurs
- other examples: peer-to-peer learning, developing (or enhancing existing) networks to share knowledge and best practice, delivery 'hubs' (such as Cleantech hubs).

Applications may include a combination of these activities, or other activity which delivers the above objectives.

Applications must describe how project activity will address EDI issues – for example, targeting diverse and under-served businesses.

Specific condition

Applicants should consider designing support for SMEs in sectors most adversely impacted by the COVID-19 pandemic, and in under-served communities. The nature of the support for these groups should be designed specifically for these communities, with culturally sensitive, appropriate outreach and marketing activities.

Outputs and outcomes

Applicants applying against this programme must deliver one or more of the outputs, and one or more of the outcomes, listed below. In addition, projects will also be required to deliver against relevant EDI outputs.

Please note that not all outputs and outcomes will be relevant. Applicants should decide which outputs and outcomes are suitable for their project.

Outputs:

- number of enterprises receiving non-financial support
- number of enterprises receiving grants
- · number of decarbonisation plans developed.

Outcomes:

- · jobs created
- jobs safeguarded
- · number of new enterprises created
- estimated carbon dioxide equivalent reductions.

Associated intervention

This programme aligns with UKSPF intervention E29.

Programme 7: Support for fast-growing diverse founders

Notional allocation: £3m

Geographical scope: London

Policy context

The London economy has been hit hard by COVID-19 and the impact on businesses in under-served communities, and in certain sectors, has been severe. As we emerge from the pandemic it is crucial that we support businesses to build resilience, sustain and grow.

The pandemic has not affected everyone equally. There has been a disproportionate impact on Black, Asian and Minority Ethnic communities; women; and disabled people. Members of these groups can also face barriers to starting up and growing their own business due to difficulties in accessing finance, business support, new contracts and business networks.

Addressing the barriers faced by diverse businesses is essential to the cohesion of London as a city, and to the equitable recovery of the London economy, where all Londoners have a fair access to resources.

Objectives

The objectives for this activity area are:

- to support diverse businesses that are fast-growing and/or have capacity to grow
- to target diverse founders who will benefit the most from the limited resources available; beneficiaries from this activity will be required to have:
 - o been trading for 18 months or more
 - an aspiration to grow
 - o a turnover of at least £50,000
 - o a minimum of two employees.

Indicative activities which the GLA is looking to fund

UKSPF projects are expected to contribute towards achieving the above objectives through activities such as:

- · sales and marketing support
- business model innovation
- change management
- embedding formal management processes and systems
- · use of data to drive value

- networking/peer support
- export support (where this complements the Mayor's International Business Programme).

Applications may include a combination of these activities, or other activity which delivers the above objectives.

Applications must describe how project activity will address EDI issues, for example targeting diverse and under-served businesses.

Specific condition

Applicants should consider designing support for SMEs in sectors most adversely impacted by the COVID-19 pandemic, and in under-served communities. The nature of the support for these groups should be designed specifically for these communities, with culturally sensitive, appropriate outreach and marketing activities.

Outputs and outcomes

Applicants applying against this programme must deliver one or more of the outputs, and one or more of the outcomes, listed below. In addition, projects will also be required to deliver against relevant EDI outputs.

Please note that not all outputs and outcomes will be relevant. Applicants should decide which outputs and outcomes are suitable for their project.

Output:

· number of enterprises receiving non-financial support.

Outcomes:

- jobs created
- increased number of enterprises supported.

Associated intervention

This programme aligns with UKSPF intervention E30.

Programme 8: Investment-readiness support for diverse founders

Notional allocation: £1.5m

Geographical scope: London

Policy context

London has a competitive financial/investment ecosystem. However, despite this, diverse businesses cite access to finance as a major impediment to growth.

The 'Alison Rose Review of Female Entrepreneurship' report revealed that access to, and awareness of, funding was the number-one issue for female entrepreneurs across the entire entrepreneurial journey. Female-led businesses receive less funding than those headed by male-led businesses, at every stage of their journey. Less than 1p in every £1 of venture capital investment in the UK goes to all-female founder teams (*Financial Times*, 15 August 2022).

Extend Ventures' report 'Diversity Beyond Gender' shows that only 4 per cent of total investments made at seed, early and late stage between 2009 and 2019 went to all-ethnic minority teams.

The 'Alone Together' report from the British Business Bank (BBB) (2022) states that entrepreneurs with access to pre-existing financial resources are more likely to invest and spend time developing their businesses. This will relate to activities such as identifying customers and other business practices that increase resilience and success.

Conversely, those without pre-existing financial resources, or with low incomes, do not invest in business development. This has a direct consequence on their success in obtaining finance. According to the BBB report, Greater London is the toughest place in the UK to be an entrepreneur, with just 71 per cent of business owners in London reporting a profit in 2019.

Given the above factors, a targeted intervention to support founders (especially those from under-represented groups) to access finance is needed in London.

An investment-readiness programme will ensure that participants are aware of the most suitable financing options; and will help them prepare for the fundraising process by ensuring that entrepreneurs can comfortably present and talk about their businesses.

Objectives

The objectives of this activity are:

- to help SMEs raise external finance by removing barriers to fundraising through targeted support
- to increase the value of investments/finance secured by SMEs owned by diverse founders through debt, grants, loans or investment finance
- to improve diverse SMEs' knowledge of the investment ecosystem, leading to the growth of businesses owned by diverse founders.

Applications must describe how project activity will address EDI issues – for example, targeting diverse and under-served businesses.

Indicative activities which the GLA is looking to fund

UKSPF projects are expected to contribute towards achieving the above objectives through activities such as:

- creating a bespoke programme of targeted support to increase the chances of participating businesses to raise external finance
- creating and fostering an environment of collaboration and peer-to-peer support where participants can learn from each other
- connecting participants with the ecosystem to enhance the targeted one-to-one support that founders require to increase their chances of raising finance
- financial modelling and valuation
- · coaching

Applications may include a combination of these activities, or other activity which delivers the above objectives.

Applications must describe how project activity will address EDI issues, for example targeting diverse and under-served businesses.

Specific condition

Applicants should consider designing support for SMEs in sectors most adversely impacted by the COVID-19 pandemic, and in under-served communities. The nature of the support for these groups should be designed specifically for these communities, with culturally sensitive, appropriate outreach and marketing activities.

Outputs and outcomes

Applicants applying against this programme must deliver the outputs, and one or more of the outcomes, listed below. In addition, projects will also be required to deliver against relevant EDI outputs.

Output:

number of enterprises receiving non-financial support

Outcomes:

- · jobs created
- · increased number of enterprises supported.

Associated intervention

This programme aligns with UKSPF intervention E30.

Equality, diversity and inclusion

Context

In the design and delivery of the UKSPF, the GLA, as lead authority is putting equality, diversity and inclusion (EDI) at the centre of all its activity. The GLA is striving to be ambitious in its approach to be inclusive and we expect the same of our applicants.

The Mayor of London's EDI strategy, Inclusive London (2018, updated in 2022) sets out the future of London as a diverse, inclusive and integrated city, where everyone should be able to reach their full potential and prosper.

Reaching and including all Londoners, particularly individuals facing persistent inequalities, will be an important consideration to the success of the UKSPF in London. The UKSPF programme will continue our work challenging inequality and promoting equality of opportunity by bringing communities and local businesses together, to support growth and access to opportunity. Therefore, we are asking applicants to consider how they are engaging with businesses and communities in the design of their projects.

We understand that organisations are at different stages of their journey towards delivering on EDI. We do not want that to be a barrier to accessing UKSPF, but we will expect applicants to supply their organisational EDI policy and action plan. If you do not have a policy/plan, we will request one prior to your first claim payment. We have included some guidance below to assist organisations in developing their plan.

Setting EDI policy and action plans

The GLA will ask all organisations receiving funding to submit an organisational EDI action plan at the start of your project. The action plan should set target areas for action outlining how, as an organisation, you will take steps to address EDI principles within the operation of your business and in how you engage with other organisations and individuals.

As part of setting the objectives for your organisation you could include:

- Current position and/or baseline under each target area (listed below)
- Actions and/or tasks to put forward a clear approach for meeting your objective and setting measurable goals
- When/ key dates to outline a timeframe for meeting the objective and/ or undertaking the action/ task associated

- Role responsibility/ resource required to allocate who will be responsible for the action/ task identified
- Measure of success to establish what success will look like if the objective is met in terms of outcome and/ or KPIs.

Please also refer to the Good Work Standard which sets out the Mayor's expectations for employers and can also assist with identifying EDI objectives.

Please note that the objectives selected will vary depending on the situation and size of your organisation, and several actions/ tasks may be required to deliver each objective.

Some indicative target areas and practical activity are set out below to guide you.

Target Area: Organisation Board and Workforce

Action: To create a workforce that is reflective of the diversity of London

Activity:

- Record baseline data/information at start and end points
- Address diversity within own workforce, including at Board level.
- Inclusive recruitment campaigns
- Set in-work progression targets

Target Area: Reach and/or engage with wider community

Action: Reach more diverse organisations

Activity:

- Demonstration of activities that benefit diverse/marginalised communities.
- Engagement approach considers how to reach marginalised communities
- Support for organisations that unblock barriers to small and diverse-led organisations partnering with them.

Target Area: Skills/training

Action: Provide access to training and development opportunities

Activity:

 Demonstration of activities that enhance Londoners' opportunities for skills/training/experience – especially in areas where there are shortages of skilled workers or to those experiencing barriers to employment.

- Demonstrate your understanding of skills gaps in the sector(s) you intend to deliver and how you will consult with employers to meet sectoral demand for skills
- Identify local partners that will be involved and clearly highlight the value that they will bring to the provision
- · Identify and address skills gaps within own organisation and set delivery targets

Target Area: Supply chain and partnership diversity

Action: Increase diversity within supply chain and/or partnerships.

Activity:

- Monitor total spend and percentage of total allocation/grant to Black Asian and Minority Ethnic, Disabled-led, Women-led groups/businesses.
- Applicants to work with London Business Hub to engage diverse SMEs.
- Applicants to use payment methodologies which support to mitigate negative impact on SMEs.
- Larger applicants to complete Good Work self-assessment.
- Demonstrate commitment to EDI, in particular, supporting Black Asian and Minority Ethnic, women and disabled businesses, organisations and people.
- Adopting principles of the Living Wage Campaign and promoting Living Wage Foundation accreditation to suppliers.
- Doing business responsibly, including prompt & fair payment to supply chains
- Applicant to provide training, advice and support to SMEs and micros to enable them to develop diversity within their organisation.

Climate change and environmental sustainability

The Mayor and London Councils are committed to tackling the climate and ecological emergencies and improving air quality. This means embedding environmental goals in all programmes funded by UKSPF. Environmental activity should also support good jobs, help tackle inequalities, and grow London's economy.

When drafting your application, please seek to champion environmental sustainability with your stakeholders and include how your project will be accessible to and benefit all Londoners.

We understand that organisations are at different stages in their journey towards addressing climate change and environmental sustainability. We do not want that to be a barrier to accessing UKSPF, but we will expect applicants to supply their organisational policy and action plan. If you do not have a policy, we will request one prior to your first claim payment. We have included some guidance below on environmental themes, to assist organisations in developing their plan.

Net-zero carbon

Objective: To contribute to reducing London's greenhouse gas emissions and getting to net zero by 2030. To promote the benefits of a zero-carbon economy, for example, energy-efficient buildings reduce energy costs and tackle fuel poverty, while green businesses provide new jobs and growth.

Actions to address this:

- Align your activity with the Mayor's Accelerated Green Pathway to tackle climate change.
- Ensure your activities cut carbon emissions, and never increase them.
- Ensure funding recipients have ambitious climate goals and can ideally illustrate progress towards them.
- Call on businesses to retrofit their buildings to be more energy-efficient and adopt Science Based Carbon Targets for getting to net zero.
- Signpost households to programmes that help tackle fuel poverty.

Air quality

Objective: To cut emissions of, and reduce exposure to, NO_x and particulates emitted from vehicles, wood-fires and other combustion. These cause around 4,000 deaths in London each year as well as other health impacts. Emissions are often concentrated in London's most deprived areas.

Actions to address this:

- Avoid causing an increase in car usage, diesel generators, or wood fires.
- Aim to reduce emissions from existing sources.
- Support active travel and public transport to enable healthy, liveable streets.
- When procuring services, ensure that all suppliers comply with standards in the ULEZ, LEZ and Low Emission Zone for Non-Road Mobile Machinery.

Green economy, equalities and communities

Objective: To support London's green economy i.e. economic activity that enhances the environment. Achieve an equitable transition to net zero, empowering communities to input to decision-making and make sustainable choices.

Actions to address this:

- Increase jobs and apprenticeships within London's Green Economy sector
- Invest in green skills training and re/upskilling
- Invest in green, London-based SMEs and non-governmental organisations (NGOs).
- Buy responsibly, considering the life-cycle impact of products and services on climate change, waste and air quality. Ensure suppliers are paid a living wage with decent employment conditions.
- Support organisations to take action to green their operations.
- Empower community groups to co-design and participate in environmental activities to meet local needs and built trust.
- Empower Londoners and businesses to make sustainable choices (e.g. low-emission travel), whilst making these choices accessible to all Londoners.

Waste and circular economy

Objective: To achieve a 'circular economy' by designing out waste and promoting re-use.

Actions to address this:

- Promote re-use and avoid waste, especially food waste, packaging and disposable items
- Where it is not possible to avoid waste, provide appropriate facilities to enable recycling.

- Encourage stakeholders to do likewise, including in their supply chains through responsible procurement.
- Signpost to ReLondon, which provides waste reduction and recycling guidance and support for businesses.

Green infrastructure and climate adaptation

Objective: To enhance green spaces for people and wildlife while improving Londoners' equality of access. Build resilience to the risks of heat, drought and flooding caused by climate change – especially for the most-at-risk.

Actions to address this:

- · Increase access to green spaces and improve their quality.
- · Promote equality in access to green spaces
- Put climate adaptation measures into new buildings and the public realm. These include shading from the sun; orienting buildings and windows to reduce heat exposure; and managing water consumption and drainage.
- Use the London Climate Risk Map to understand which areas are most in need.

Application and assessment process

Application submission

The application process for the UKSPF comprises one stage: submission of the application form and supporting documents. Applicants should fully complete the application form and all supporting documents which are available here, and comprise:

The application form and its annexes:

- Annex A Granular budget and output and outcomes
- Annex B Partners supporting the project
- Annex C Customer journey diagram and organogram
- · Annex D EDI and sustainability action plans
- Annex E Logic Model
- Annex F Stakeholder equality survey

Assessment

The application assessment process has five stages.

1. Gateway assessment

Applications will first be subject to a Gateway assessment, which will consider the following questions:

- Is the applicant eligible to receive UKSPF?
- Does the application deliver against one or more of the eight programmes set out in the Supporting Local Business prospectus?
- Will all outputs and outcomes be delivered by 31st March 2025?
- Does the application deliver the outputs and outcomes relevant to the programme(s) selected, as set out in the programme description in the prospectus?
- Has the applicant included only revenue funding? Applications which include <u>any</u> capital expenditure will not be considered for funding and will not pass the gateway stage.
- Have the mandatory required documents been submitted alongside the application? Failure to submit Annexes A and E will result in the application being rejected.

Applications that fail to meet one or more of the gateway criteria will be rejected and will not progress beyond the gateway stage.

Applications must pass all gateway criteria to be considered for the core assessment.

2. Core assessment

Applications which pass the Gateway assessment will then be scored against the core assessment criteria. This will be published in January.

3. Moderation

After the scoring is completed, GLA will moderate the scores. Moderation will be influenced by the quantity and quality of applications received. This may result in awarding more or less than the published notional funding allocation.

Moderation will consider if the spread of applications meets the requirements of the prospectus. For example, if the top scoring applications all fall under one programme, GLA may consider allocating more funds to that programme.

In some cases, for private, voluntary sector and charitable applicant organisations, financial due diligence checks will be conducted as part of this stage.

4. External consideration

The GLA will consult the Local Partnership Group on the strategic fit and deliverability of applications. This will include sharing feedback from the moderation process with the external representatives. The Local Partnership Group is constituted from the London Recovery Board. Details are available here.

5. GLA decision

After the Local Partnership Group has been consulted the GLA will take a decision on which applications should proceed and which should be rejected. The GLA will have undertaken financial due diligence checks on successful applications (see application form guidance for details).

All applicants will be notified of the outcome in writing. The GLA will provide high level written feedback to all applicants. For the successful applications this will include any revisions or updates required, including potential grant funding conditions.

Appeals

The GLA's decision on each application is final. There is no appeals process. Applicants submit applications to the GLA with this knowledge.

Grant award

Successful applicants will be invited to sign a grant funding agreement with the GLA. It is a standard, non-negotiable template document and reflects both GLA and UKSPF requirements for managing, monitoring and reporting project activity. Due to the short timescale available for UKSPF delivery, the GLA will not enter into protracted grant negotiations with applicants.

Once a funding agreement has been issued it should be signed and returned to the GLA within 30 days, unless otherwise agreed with the GLA. Applicants are therefore strongly advised to read these terms and conditions to ensure that they can enter into such an agreement prior to responding to the call.

Complaints

If applicants wish to complain about the call and application process, please follow the procedure set out at Complaints | London City Hall.

Timeline

| Milestone | Date |
|--------------------------------|--|
| Information Event | January 2023 – further details will be available here shortly. |
| Closing date and time | Monday 13 February 2023 at 23:59 |
| Outcome notified to applicants | Spring 2023 |

Technical information for applicants

This section provides applicants with technical information to help draft an eligible application. It should be read in conjunction with the application form guidance.

Updates to the call documents

Any updates to documents will be published here.

Is the UKSPF a grant or repayable loan?

UKSPF funding will be awarded to successful applicants as a grant, paid quarterly in arrears. Expenditure must be defrayed prior to the submission of any grant claims to the

GLA. Applicants may be asked to demonstrate how they are able to cash flow the operation.

Minimum UKSPF grant

The GLA intends to award grants of £500,000 UKSPF or more to successful projects. Applicants should not apply for less than £500,000.

Capital/revenue funding

Only revenue funding for revenue activity is eligible. Capital funding is not eligible, and its inclusion will invalidate your application. Capital funding relates to expenditure on the acquisition of an asset, or expenditure which adds to, and not merely maintains, the value of an existing asset and that the assets yield benefit over a period of more than one year.

Match funding

Match funding is not a requirement but can add value to the project. Where applicants are including match funding, please explain the added value this match funding will provide.

Match funding is not a requirement for UKSPF and applications will <u>not</u> score higher if the applicant includes match funding.

Who can apply for UKSPF?

Applicant organisations for the UKSPF must be legally constituted bodies. Individuals cannot apply for themselves. Potential applicant organisations include, but are not limited to:

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

Eligible start date - from what date can project activity start?

Most projects will start from spring 2023 once they receive confirmation from the GLA that their application has been approved. Applicants should specify a realistic start date.

However, applicants can start their projects at risk, backdated to 1 April 2022. Please refer to the application guidance.

End date of project activity

Applicants should select an appropriate end date for their project, noting the UKSPF programme ends on 31 March 2025 and all project activity will need to be complete by this date.

The GLA reserves the right to vary this end date if, for example, HM Government changes the end date for the UKSPF programme.

Geographical scope

Projects should support businesses based within the boundaries of Greater London.

- As required by government, successful applicants will be required to submit the following information to the GLA prior to the issue of a grant funding agreement:
- · Postcode(s) where funded activity is being delivered; and
- Parliamentary Constituency/Constituencies benefiting from project.

Outputs and outcomes

Applicants will need to demonstrate how their activities will achieve outputs and outcomes in return for the award of UKSPF funding.

The GLA's output and outcome evidence requirements for the UKSPF can be found here. This guidance also sets out additional outputs and management information that applicants will need to capture, and report related to EDI. The government's output and outcome definitions for the UKSPF can be found here. Applicants must read both sets of guidance before completing Annex A – Granular budget and outputs and outcomes.

For applications proposing to deliver activity against more than one programme, you must select the appropriate outputs and outcomes and state the amount of funding required for each of the programmes you are proposing to deliver.

Where an application comprises multiple programmes, you will have to monitor and report outputs/outcomes by programme and by intervention.

The GLA expects the level of outputs/outcomes proposed by applicants to be realistic, achievable, deliver good value for money, and reflect the nature of the project that is being proposed. The application should clearly state the methodology used to determine the levels of outputs/outcomes proposed.

All successful applicants will be required to report regularly on progress toward achievement of targets. This will need to include both quantitative and qualitative data.

Applicants will need to explain in their application, how they will collect and record this information to maintain a fully evidenced audit trail.

Payments to projects

Projects will be funded using an actual costs model. This means that only the actual defrayed costs that you incur, plus an allocation for indirect costs, will be paid.

Payments will be made by the GLA quarterly, in arrears, on submission of a claim form and a satisfactory performance and progress report.

To support cashflow in the initial stages of delivery, an advance payment of 10 per cent of the total grant value, capped at £100,000, will be offered to projects at the point of signing the funding agreement. The arrangements for recovery of the advance payment will be agreed at the funding agreement stage.

More information on the cost model, including examples of eligible and ineligible expenditure, is included in the application form guidance.

Evaluation

The government will undertake an evaluation of UKPSF to which London will contribute. The GLA is also expected to undertake its own evaluation, into which projects will contribute. This is in addition to monitoring spend, outputs and outcomes.

Although government has not yet published its evaluation guidance, applicants are likely to be required to produce a comprehensive 'process' evaluation. A process evaluation will examine the process through which the applicant managed UKSPF to deliver the outputs and generate outcomes. This will provide learning on what worked, and did not work, in delivery.

There may also be a requirement to commission a qualitative impact evaluation which will include measuring outputs, contribution analysis, developing case studies, conducting surveys and interviews with stakeholders and beneficiaries. Further guidance will be provided, and precise requirements are expected to be agreed at the time of contracting.

At the application stage, applicants are required to provide a logic model to demonstrate the rationale and the links to outputs, outcomes and impact. In addition, applicants should explain their monitoring and evaluation structures, process evaluation design, data collection and analysis.

Multi-programme projects

Applicants are permitted to apply for more than one programme.

A logic model should be submitted with your application as evidence of the holistic approach.

Applications will be scored by the GLA based on how effective the combination of activities works together. If some programme elements of a proposal are weaker than others this could lower the overall score of the project.

Indeed, there is a risk that multi-programme projects become watered down because they are seeking to deliver many, broad activities. Applicants must therefore ensure that such multi-programme proposals are designed holistically and are not separate activities artificially included in one proposal.

Deadline

All applications must be received by the GLA by the deadline. Applications received after the deadline will not be considered.

To avoid potential technical problems with email, applicants are advised to i) submit ahead of the deadline; and ii) to copy in (cc) themselves as evidence that the application form and supporting documents have been submitted to the GLA.

Please note that the maximum file size permitted in a single email is 10MB.

Successful applicants will normally be expected to:

- Sign the funding agreement within 30 days of issue by the GLA
- To avoid slippage, be ready to start the delivery immediately after signing the funding agreement.
- Undergo a GLA-led contract initiation visit within 30 days of the funding agreement being signed.
- Ensure there is a sound governance structure in place for monitoring performance.
- Provide detailed information on expenditure, outputs and outcomes, including equalities and diversity data, to the GLA on a regular basis.
- Adhere to branding and marketing requirements and guidelines

Key documents and support

The following documents are available here:

- · Application form and guidance
- Outputs and outcomes evidence requirements
- Funding agreement (non-negotiable) standard template (at the time of publishing this prospectus this document is not currently online, but will be uploaded once available)

Document submission checklist

Please ensure the following information (documents) are submitted by the deadline.

- Fully completed application form and its annexes:
 - Annex A Granular budget and output and outcomes (Gateway criteria)
 - Annex B Partners supporting the project
 - Annex C Customer journey diagram and project organogram
 - Annex D EDI and sustainability action plans
 - Annex E Logic Model (Gateway criteria)
 - Annex F Stakeholder equality survey

All annexes must be submitted with your application; Annexes A and E are Gateway assessment criteria and failure to submit one or both will result in your application being rejected.

Private, voluntary sector and charitable applicant organisations are also required to submit the following information with their UKSPF application form:

- Financial accounts for the most recent three years;
- Proof of existence Certificate of Incorporation, Charities Registration, VAT Registration Certificate or alternate form of incorporation documentation; and
- Proof of trading Financial Accounts/Statements for the most recent two years of trading including, as a minimum, Profit and Loss Account and Balance Sheets.

Document submission

Completed applications should be submitted via email to UKSPF@london.gov.uk. Word or Excel documents are invited. Please do not submit PDF documents.

Applicants are recommended to copy (cc) themselves into the submission email as evidence all documents have been submitted to the GLA.

Please note that the maximum file size permitted in a single email is 10MB.

The GLA will acknowledge receipt of your application by email.

Application forms and supporting documents which are not received by the deadline will be rejected.

Enquiries and support

This call is expected to be over-subscribed and competitive as there is limited funding available. We are not able to advise on the likely success or otherwise of proposals ahead of submission. We are unable to review draft applications.

However, we are happy to answer questions on the call, the application process, and technical questions. Please contact UKSPF@london.gov.uk. We will collate frequently asked questions and publish them on the GLA website here.

In addition, we will be holding online support 'surgery' sessions for prospective applicants where we will seek to answer questions in person. Further details will be available here shortly.

Other formats and languages

For a large print, Braille, disc, sign language video or audio-tape version of this document, please complete the contact us form on the below link:

Contact us form | London City Hall

You will need to supply your name, e-mail address and state the format and title of the publication you require.