Funded by UK Government

UK Shared Prosperity Fund (UKSPF)

Supporting Local Business: Grant Recipients’ Handbook

Introduction

This handbook seeks to provide helpful information and guidance for organisations delivering Supporting Local Business (SLB) projects, either selected via the open call or funded through a direct allocation. It will be updated as required over the remaining duration of the UKSPF programme.

Inevitably it cannot provide guidance on every issue or question that will arise, so in this instance grant recipients are asked to contact their GLA Grant Manager.

This handbook should not be used for grant recipients managing the direct allocations awarded to London boroughs (for Communities and Place, and SLB).

Grant recipients are recommended to read this guidance thoroughly, and refer to the following documents as and when required:

1. Outputs and outcomes evidence requirements guidance for London
2. Guidance included in UKSPF forms (e.g. claim form).

Documents are available here.

Throughout this handbook, ‘GM’ refers to the GLA Grant Manager and ‘GR’ refers to the grant recipient.

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1. Eligible expenditure

Eligible revenue costs include the following (for which further guidance can be found later in this section):

- staff costs – for lead organisation, delivery partner(s)and procured staff (including basic pay, and employer's national insurance and pension contributions, if these can be evidenced upon request)
- business travel, subsistence and accommodation
- contractors and consultants, including evaluation costs
- materials
- marketing and publicity
- grants provided to beneficiaries
- beneficiary costs
- events
- small items of equipment.

Direct costs

These are the costs that relate directly to initiating and implementing the agreed project activities. These are not wider organisational costs. Only revenue costs should be included; revenue expenditure refers to costs that are related to specific revenue transactions or operating periods, such as the cost of goods sold, or repairs and maintenance expenses.

Staff costs

These are paid staff roles working, either full-time or part-time, directly on the project. Staff may be employed directly, or contracted by the GR or delivery partner(s). Costs for contracted staff will be referred to as 'procured staff costs' in this section.

Eligible staff costs are the basic salary; the employer's national insurance and pension contributions; and any contractual benefits. The GR must account for any expected increases in salary for the project staff over the lifetime of the project.

Sick or maternity pay can be claimed in line with the lead GR organisation's staff policy (or that of a delivery partner); or on the individual's contract of employment. Alternatively, an organisation may claim for replacement staff costs, but only if maternity or sick pay is not being claimed.

Flat rate contribution for indirect costs (FRIC)

For indirect costs (shared organisational costs, which cannot be directly linked to project activity), a FRIC, calculated at a rate of 20% of staff costs, may be claimed. Details of eligible and ineligible project costs can be found within this section.

Procured staff costs

Where a GR is including procured staff costs in their budget, the GR must ensure that these external staff costs: can be clearly identified as staffing costs in the contract and/or invoice of the subcontractor; and are separate to any other costs on the invoice and/or contract. The invoice for that month and/or quarter will be the actual cost that can be claimed.
The GLA may request evidence of the procurement exercise and invoices, plus defrayal, though this will not be a routine exercise.

The GR should ensure they include the procured staff costs in the right cost category, as follows:

- Where procured staff will be based in, and/or delivering from, premises owned or rented by the GR or delivery partner(s), the costs are claimable under the 'staff costs' category in the granular budget and will attract the 20 per cent flat rate indirect costs (FRIC).
- Where procured staff will not be based in, and/or delivering from, premises owned or rented by the GR or delivery partner(s), these costs should be claimed under other direct costs ('contractors and consultants' cost category) and the 20 per cent FRIC won't apply.

Recruitment agency fees

Recruitment agency fees are eligible costs, but GRs must ensure the following:

1. The recruitment fees associated with the project must be clearly identified in the contract and/or invoice. They must be separate to any other costs within the contract and/or invoice. The GM may request evidence of the procurement exercise and invoices, plus defrayal.
2. If the agency fees are related to the recruitment of a staff member who is not allocated 100 per cent (full-time) to the project, only the fixed percentage (part-time) can be claimed. For example, a £1000 recruitment fee for a member of staff with a fixed part-time allocation of 50 per cent would allow £500 to be claimed.
3. Recruitment costs must be claimed under the 'contractors and consultants' cost category. If recruited staff are paid via a recruitment agency, they must also be claimed under the 'contractors and consultants' cost category with no FRIC.

Apportioning staff costs

Staff working full-time on the project

GRs can include 100 per cent of their annual basic pay and contractual benefits, and the employer's national insurance and pension contributions, on a quarterly claim basis.

<u>Staff working part-time on the project</u>

Salary costs for staff who spend part of their time working on a project must be calculated using a fixed percentage (see example below). GRs should determine the percentage of time that the staff member will spend working on the project at the outset (this will not usually be expected to change throughout the lifetime of the project). There is an understanding that, in reality, the percentage may vary slightly from one month or quarter to another. This is acceptable providing that, overall, the percentage remains the same for the duration of the project. If the variation becomes significant and permanent, the GR will need to discuss this with the GM before making changes to the fixed percentage.

Example of how to calculate the fixed percentage:

A. Annual employment costs (basic salary; employer's national insurance and pension contributions; contractual benefits) = £50,000
B. Percentage of time staff member will spend working on the project = 40 per cent
C. Total cost = £50,000 x 40 per cent (A x B) = £20,000

There is no requirement for staff to record the hours spent working on the project on a timesheet. We expect GRs to inform the relevant members of staff, in writing, of their work on the project and the agreed fixed percentage of their role that will be funded by UKSPF. Staff can be informed via email or letter, and this correspondence can be sent by individuals, groups or entire project teams. However, it should be sent from a senior member of staff in relation to the project, or from human resources. If the percentage of the staff member's time to be spent on the project changes, they must be informed, in writing, of this change.

Fixed percentages for each staff role will be based on those agreed at grant-funding agreement (GFA) stage. If the GR wishes to change any such percentages, this must be agreed with your GM in advance of claims. The GR is expected to retain evidence of correspondence with each staff member regarding their time on the project. It is expected that the GR will keep an up-to-date organogram of the project team on file.

The GM will not request evidence of correspondence to staff regarding agreed fixed percentages, or the organogram, on a regular basis. However, the GLA reserves the right to request this evidence if required.

Please note, staff members who are expected to spend less than 5 per cent of their time working on the project are not considered to be working directly on it. Therefore, these staff costs will fall into the 'indirect costs' category (see below).

Other direct costs

We expect non-staff costs to be directly attributable to the project; otherwise, they will fall into the 'indirect costs' category. However, we understand there may be instances where the project costs cannot be itemised on an invoice. For example, the GR may want to use existing contracts, such as Google ads, for marketing purposes. It may prove difficult to get the supplier to itemise the UKSPF project costs on an invoice. As a result, direct costs can be apportioned, but the methodology used must be agreed with your allocated GM in advance of expenditure being claimed.

Eligible other direct costs

- Costs of business travel, subsistence and accommodation directly related to, and essential for, the effective delivery of the project
- Events costs: third-party venue hire, catering (including alcohol), guest speaker fees
- Contractors and consultants (see section related to staff costs for distinction with procured staff costs)
- Costs of materials e.g., materials purchased to support the development of a product with a small or medium-sized enterprise (SME)
- Marketing and publicity costs, which may include social media, website costs, leaflet design and printing
- Grants provided to beneficiaries – beneficiary should follow the same eligibility guidance issued to GR for eligible expenditure
- Beneficiary costs: direct spending on the beneficiaries such as allowances, travel expenses or childcare
- Small items of equipment, such as laptops
- Costs of a visa for new staff member being employed, if allocated to the project 100% of the time for the lifetime of the project

'Beneficiaries' refers to people benefiting directly from the UKSPF project. The benefit can be financial (such as a grant given to a business) or non-financial (such as one-to-one or one-to-many coaching or mentoring sessions).

Indirect costs

Indirect costs are, by default, all eligible costs that do not meet the above definition of a direct cost. Indirect costs are shared organisational costs that cannot be directly linked to project activity because it is difficult, or impossible, to quantify a precise amount attributable solely to a single operation/project.

FRIC is the process on how these costs are recovered, calculated at a rate of 20% of staff costs.

Indirect costs may cover, for example:

- premises costs
- accountancy costs
- cleaning costs
- telephone
- utility charges
- staff costs for people working indirectly, or spending up to 5 per cent of their time, on the project.

Ineligible costs

- Any expenditure incurred before the agreed project start date, or after the project end date
- Loan and current account interest, or any other financial charges
- Staff time or consultancy fees related to time spent working on the application form or other application documents
- Purchase of buildings or rental fees for leased premises
- Cost of interest payments or service charge payments for finance leases
- Expenditure not related to the project
- Any statutory training that employers must provide under health and safety legislation
- Bank charges or legal fees
- Capital costs (capital expenditure relates to expenditure on the acquisition of an asset; or expenditure that adds to, and not merely maintains, the value of an existing asset, and where the asset yields benefit over a period of more than one year)
- Aid for lobbying, entertaining, petitioning or challenging decisions, which means using the UKSPF to lobby (via an external firm or in-house staff) in order to undertake activities intended to influence, or attempt to influence, Parliament, government or political activity (including the receipt of UKSPF funding); or attempting to influence legislative or regulatory action
- Payments for activities of a party-political or exclusively religious nature
- VAT reclaimable from HMRC
- Gifts, or payments for gifts or donations
- Statutory fines, criminal fines or penalties
- Payments for works or activities that the lead local authority, project deliverer, end beneficiary, or any member of their partnership has a statutory duty to undertake, or that are fully funded by other sources
- Contingencies and contingent liabilities
- Dividends
- Costs resulting from the deferral of payments to creditors
- Costs involved in winding up a company
- Legal expenses in respect of litigation
- Costs incurred by individuals in setting up and contributing towards private pension schemes
- Payments that breach or are contrary to the funding agreement or UK legislation

Revenue generation

The GLA expects all UKSPF projects to provide a free service to SMEs/ beneficiaries being supported. Any revenue would be expected to be offset against the grant claims. You must discuss this with your GM in advance.

2. Branding

The requirements below relate to all communication materials and public-facing documents related to UKSPF activity. This includes print, digital and electronic materials.

Logos

LEVELLING UP

SUPPORTED BY MAYOR OF LONDON

Funded by UK Government

Funded by UK Government & Levelling Up

Projects must follow the UK government and Levelling Up publicity and branding requirements, including logo use; print and digital materials; and co-branding. For more detailed information on the UK Government branding requirements, please visit:

- UK government branding guidelines
- Funded by UK Government: Branding Manual

The UK government has yet to publish Levelling Up branding requirements. This handbook will be updated when they are available. In the absence of guidance, please ensure the Levelling Up logo is included on all external communication materials related to UKSPF activity, including the project website, as a minimum.

Projects should use the 'Funded by UK Government' logo from the UK Government branding guidelines.

Supported by Mayor of London

Projects are required to use the 'Supported by Mayor of London' logo on all external communication materials, including the project website. For guidelines for use of the 'Supported by' logo, please visit Supported by Mayor of London guidelines. GR can ignore points 4 and 5 in the guidelines. GR should share external communication materials with 'Supported by Mayor of London' logo on with their allocated GM prior for sign off.

Digital materials including websites and social media

Where details of UKSPF activities are published on a website, in addition to the branding guidelines above, a clear and prominent reference to the funding from the UKSPF must be included as follows:

'This project is [funded/part-funded] by the UK government through the UK Shared Prosperity Fund.'

Where possible and practical, grant recipients should also include a direct link to the UK Shared Prosperity Fund webpage – and include the following text:

'The UK Shared Prosperity Fund is a central pillar of the UK government's Levelling Up agenda and provides £2.6 billion of funding for local investment by March 2025. The Fund aims to improve pride in place and increase life chances across the UK investing in communities and place, supporting local business, and people and skills. For more information, visit https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus.'

When describing or promoting UKSPF activities on social media (e.g. Twitter, Facebook, Instagram, etc) the hashtag #UKSPF should be used.

Press and media

Press releases must include a clear and projecting reference to UKSPF within the main body of the press release:

'This project [or name of the project] has received £[insert amount] from the UK government through the UK Shared Prosperity Fund.'

It is a requirement of the UKSPF that the following set notes to editors are used, in relation to all media activities:

'The UK Shared Prosperity Fund is a central pillar of the UK government's Levelling Up agenda and provides £2.6 billion of funding for local investment by March 2025. The Fund aims to improve pride in place and increase life chances across the UK investing in communities and place, supporting local business, and people and skills. For more information, visit https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus.'

The GLA will not be providing quotes for any project launch specific press releases. Please include mayorspressoffice@london.gov.uk within the editors' notes for further Mayoral input. Please keep your GM informed about press, publicity and events throughout the lifetime of the project as opportunities for visits and other media activities may be available.

Email signatures

Only the ‘Funded by UK Government’ logo is required on email signatures for staff involved on the UKSPF project.

Email signatures currently require neither the ‘Supported by Mayor of London’ nor the ‘Levelling Up’ logos.

Further information

Evidence of compliance with branding and publicity guidance should be retained for monitoring and audit purposes.

3. Inception meeting

At the start of the contractual relationship, once the GR and the GLA have signed the GFA, an inception meeting will take place. The purposes of the inception meeting are:

- to meet the allocated GM
- to give the GM a better understanding of the project
- to highlight and discuss any conditions in the GFA
- for the GM to set out the expectations of the GLA, including reporting requirements
- to provide an opportunity to answer any questions the GR may have
- to ensure the GR has the following relevant policies and plans:
    - Buildings and Contents Insurance Certificate
    - Employer’s Liability Insurance Certificate
    - Public Liability Insurance Certificate
    - Anti-fraud/whistleblowing policy.

As a guide, we expect this meeting could last up to two hours, with most of this time being used to answer questions. Ideally, the meeting will take place within 30 days of the GFA being signed, where operationally feasible, and face-to-face, where possible. Only project delivery staff directly involved in delivering the project should attend, and it is not expected that any delivery partners attend.

The GM will arrange this meeting in collaboration with the GR. The GM will inform the GR of any information or documentation they require in advance of the meeting. Following the inception meeting, the GM will consider any actions required before they can advise the GR to go ahead and submit a claim for payment. If any actions are to be completed, the GR should clear these within 10 working days.

4. Claims

GRs are required to submit quarterly claims, regardless of the amount of expenditure and/or delivery of outputs and outcomes. A claim form, which includes a progress report and updated forecasts, is expected for every claim.

The GR can only include spend that has been defrayed (either by itself or by one of its delivery partners, if there are any) during or – if it is not previously been claimed – before the claim period.

The grant-claim periods are quarterly, ending on 31 March, 30 June, 30 September and 31 December. Many GRs have retrospective start dates, so any retrospective expenditure since the project start date can be claimed within this period (or captured in later quarterly claims).

GRs can only submit their first claim once they have been given clearance by their GM. In some cases, the first claim could be submitted outside of the normal claim period (see below for dates). This will be communicated to the GR by their GM.

Grant claims are due for submission on the 15th of the month following the quarter end, or – if this falls on a bank holiday or a weekend – the working day before, as outlined below. For projects that end on 31 March 2025, grant claims are due for submission no later than 14 April 2025.

Grant claim period	Claim due date
1 April 2023 – 30 June 2023	14 July 2023
1 July 2023 – 30 September 2023	13 October 2023
1 October 2023 – 31 December 2023	15 January 2024
1 January 2024 – 31 March 2024	15 April 2024
1 April 2024 – 30 June 2024	15 July 2024
1 July 2024 – 30 September 2024	15 October 2024
1 October 2024 – 31 December 2024	15 January 2025
1 January 2025 – 31 March 2025	14 April 2025

Extensions to these due date deadlines will not routinely be granted. The GM can grant an extension if the GR provides a reasonable explanation – such as key staff being on leave, or technical or IT issues that have prevented the GR from submitting the claim form on time. This must be agreed in writing in advance by the GM. Repeated requests for extension must not become the norm.

Please note that delayed claim submission will have an impact on the GLA's ability to report accurate performance data to the Department for Levelling Up, Housing and Communities (DLUHC), which manages the UKSPF on behalf of the UK government.

For a submission to be complete, a GR must submit the full and completed claim form, including transaction list and output/outcome list. An example of the claim form can be found here, each GR will receive a bespoke version from their GM.

Full guidance on how to complete the UKSPF SLB claim form correctly can be found on Tab 1, ‘Guidance’, of the above-linked Excel sheet. Please ensure the GR reads the guidance carefully, and is aware of what is expected and required of them. Failure to complete the claim form correctly will result in delays in processing claims.

The claim form must be emailed directly to the GM.

In the case of a submission with no expenditure, it is expected that only the transaction list will remain blank. All other claim documentation is still required to be completed.

Failure to provide the complete documentation, without a valid reason, will result in the claim submission being rejected. If no documentation has been provided, the claim submission will be cancelled. The GM reserves the right to inform the GR that they will need to wait for the next quarterly claim submission to resubmit.

Repeated claim rejections may trigger clause 27 of the GFA.

The GR must ensure that an authorised signatory has signed the claim form. Agreed authorised signatories can be found in the GFA. If a non-authorised person has signed the claim form, the GM will send back the form and ask for resubmission.

The GM will check that the information is consistent throughout the claim form. If incorrect or insufficiently detailed information has been included, the GM will send the form back to the GR for amendments.

Expenditure

Full details of eligible and ineligible expenditure can be found in section 1 of this handbook. Please ensure the transaction list meets the following requirements:

- all columns have been completed
- the agreed categories have been used
- only eligible costs have been included
- the FRIC cost option has been applied against staff costs only (automated check within claim form)
- no indirect costs have been included in the direct costs listing
- evaluation costs – 2 per cent of total project costs either procured or using in-house staff – should be clearly identified and described within the transaction list
- defrayal dates fall within (or before) the claim period
- there are no costs defrayed prior to the project start date
- invoice dates should usually fall before the defrayal dates; there can be exceptions that the GR should explain in the progress report
- staff costs calculation: the project has used the fixed percentages of time included in their granular budget, and any variations must be discussed with

the GM beforehand; the GR must include details of the calculation in the 'apportionment details' columns.

- apportioned costs are as agreed at the inception meeting
- staff costs: the project must include an invoice date, which can be the payslip date or the defrayal date.
- If a payment has been made for an expenditure item via a credit card, the purchase date on the credit card statement should be used as the defrayment date.

The GM has the right to query amounts or lines within the transaction list. It is left to the GM's discretion to request expenditure evidence at claim stage to check the eligibility of an item; or if, for example, values look too high. Expenditure-evidence checks at the claim stage should not and will not become the norm. See section 5 of this document for further detail on evidence checks.

The GR must ensure that, within the claim form, they have included realistic quarterly forecasts, correct contractual profiles and actuals in the table. Any variances must be explained in the progress report. As the UKSPF programme ends on 31 March 2025, the GR must ensure that profiled expenditure can be achieved by this date, at the latest. There is no option of an extension after March 2025.

Outputs/outcomes

The GR must check that:

- the output or outcome claimed is eligible for this project
- supported SMEs are either located or operating/delivering in London – there should be no common trend for non-London SMEs being supported.

The GLA will not be providing templates for any outputs or outcomes. It is up to the GR to develop their own templates that fit the evidence requirements, as set out in the latest version of the output and outcome guidance published on the GLA UKSPF website.

The GR must ensure that they have included realistic quarterly forecasts, correct contractual profiles and actuals in the table. Any variances must be explained in the progress report.

The GR should ensure that they report on performance against contractual equality targets. Any variances must be explained in the progress report. As the UKSPF programme ends on 31 March 2025, the GR must ensure that profiled expenditure can be achieved by this date, at the latest. There is no option of an extension after March 2025.

The GM is not expected to carry out output or outcome evidence checks at claim stage. See section 5 for further detail on evidence checks.

The GR is required to report on equality data for specific outputs and outcomes within the claim form, specifically on the outputs and outcomes data tab.

It is not a requirement for electronic or wet signatures to be on registration forms or related evidence if the system provides a timestamp and unique ID confirming that the data has entered by the beneficiary. An email confirmation that the information they have provided is accurate is also acceptable.

The GR should be mindful that projects must record equality, diversity and inclusion (EDI) data on businesses, households, organisations and individuals receiving support through the UKSPF. If the beneficiary is a business or organisation, the GR will record where 51 per cent or more of the ownership or senior management team comprises individuals from minority ethnic communities; women; or disabled people. Ethnic minorities refer to all ethnic groups except the white British group. Ethnic minorities include white minorities, such as Gypsy, Roma and Irish Traveller groups.

Programme 7 projects

Projects that have been funded under Programme 7 must ensure they support beneficiaries that fit into the following criteria:

- been trading for 18 months or more
- an aspiration to grow
- a turnover of at least £50,000
- a minimum of two employees

Projects must comply with the prospectus criteria and thus support beneficiaries that meet this set criteria in full.

Progress report

The progress report must be completed for every quarter. It provides narrative alongside the claim form data, including:

- an update on the project activities delivered
- progress against expenditure and outputs and outcomes
- staff changes
- procurement
- publicity
- the EDI and environmental sustainability impacts.

If any slippage is present, the GR should provide a valid and detailed explanation. The GR must also provide information on how they plan to mitigate any variances to profiles; and planned activities and milestones for the next six months. GMs have the right to challenge the information provided in the report and ‘pause’ the claim review until satisfactory information has been provided.

Assets and procurement

The GR must keep a register of all assets acquired or improved at a cost exceeding £1,500, wholly or partly using UKSPF funding. This is captured within the 'Assets' tab of the claim form. Further information about assets in relation to the project can be found within the GFA.

Where the GR is a contracting authority, they will ensure compliance with the procurement regulations when procuring any goods and services in relation to delivery of the project. Procurement information should be captured in full within the 'Procurement' tab on the SLB claim form. While evidence regarding procurement will not be requested on a regular basis, we reserve the right to request this evidence if required. Further information about procurement can be found within the GFA.

UKSPF calculation

GMs could reduce the amount of UKSPF to be paid if certain costs, related to past or present claims, are deemed ineligible. This would be discussed with the GR in advance. The GR should be aware that the funds are not lost via this process; providing that the eligibility of the costs can be confirmed, the funds can be claimed at a later date.

Subsidy control

The GR should provide subsidy control information and data on a quarterly basis. This is captured within the 'Progress Report' tab of the claim form.

It is the GR's responsibility to ensure that they are monitoring and capturing subsidy control data from beneficiaries (where relevant); and to keep subsidy records for at least six years following closure of the project.

Please complete the subsidy control form ahead of the inception meeting.

As the GR, you must complete this checklist to provide responses to enable the GLA to understand a subsidy control scheme for the project. This checklist may also be used to guide a discussion between the GR and the GM if you have any questions. It is the responsibility of the GR to ensure that they follow the Subsidy Control rules. GRs are recommended to seek their own legal advice if they are unsure of their legal obligations or the lawfulness of a proposed subsidy or scheme. Once the GR has determined the type of Subsidy Control Scheme (or not), they are required to report this to GLA. Additionally it is required that Information on the value of Subsidy Control dispersals should be provided on a quarterly basis on the Claim Form.

The guidance to key requirements for Subsidy Control can be found in the following links:

- The subsidy control regime

- UK subsidy control statutory guidance
- Streamlined routes
- Subsidy control rules: quick guide to key requirements for public authorities

Claim approval, authorisation and payment

Following submission of the claim by the GR, the GM will review the claim form and any associated documentation. Once satisfied with the information provided, the GM will seek authorisation of the claim from another GLA colleague at the appropriate financial delegation level.

It is expected that claims will be approved and authorised on the GLA's SAP Ariba system within 30 days following successful submission of the claim. This 30-day period is likely to be reduced in relation to the final claim submitted; further detail regarding this will be issued in late 2024.

Invoice and payment process

Following a claim being approved and authorised, the GM will request an invoice from the GR for the expenditure that has been authorised.

Invoices should be submitted directly to you're the allocated GM via email. The GR should check the invoice matches the approved claim expenditure for that quarter before submitting.

A purchase order (PO) number will be created for each financial year for which the project runs. The PO number will be sent to the GR by the GM shortly after the GFA has been signed. It is important that the current PO number is on any submitted invoice.

Please note VAT must not be claimed on the invoice.

5. Expenditure and output/outcomes

Expenditure and outputs/outcomes evidence checks by the GM are expected to take place at least once a year. GMs will check an expenditure item from each cost category, and evidence from each contractual output and outcome. GMs may conduct checks on a more regular basis if they believe it is required. Evidence can be reviewed in person, digitally or via email.

GMs will give the GR notice of the checks requested to ensure that you have time to gather evidence.

If issues are found during the checks, this will be discussed with the GR. If ineligible costs and/or output/outcomes are identified, these should be addressed in the next quarterly claim via the adjustment facility with the claim form.

6. Underperformance and change requests

Underperformance

Project performance will be monitored closely, especially as UKSPF projects have a short delivery timescale, ending by 31 March 2025. The GLA is required to report to the DLUHC on London's overall performance and provide adequate rationale for any slippage. Therefore, it is crucial that performance does not regularly deviate from contracted profiles.

GRs have approximately three months (from signing the GFA) to demonstrate that they are on track and are delivering according to plan. If the GM is of the opinion that performance is not adequate at any point during the project lifetime, the underperformance process will be enacted. This means the GM discussing underperformance with the GR, and the GR submitting a credible plan within 20 working days of this discussion to demonstrate how performance will be improved.

Below is an example of a credible plan template that the GR would complete:

	Area for performance improvement	Reason(s) for the underperformance	Planned action(s) to improve performance	Timescale (for progress review and completion)
1				
2				
3				
4				

Change requests

GRs can request changes to their project as and when required, although they will not be automatically approved. Change requests should only be actioned and submitted following discussion and agreement from your GM.

There are two types of change, which will be managed differently:

Administrative changes

Administrative changes are non-material changes that do not affect the project's strategic fit; ownership or overall funding; and/or output/outcome totals by more than 20 per cent. The GM can approve such changes via email.

Examples of administrative changes include:

- reduction or increase of up to 20 per cent in output and/or outcome totals
- reduction in UKSPF grant of less than 20 per cent
- changes in the partnership that do not affect the strategic fit of the project
- updates to staff fixed percentage of time
- addition/removal of a cost category
- funding moves between cost categories
- funding moves between SLB programmes (only applies where the project is multi-programme), providing these do not affect the strategic fit of the project
- updates to non-contractual milestones
- change in project name
- updates to the project activities that are unlikely to destabilise the project
- changes in delivery partners (additional or removal)
- changes in the name of the project
- reprofiling spend and/or outputs/outcomes from one year to the next, which must meet the following requirements:
    - the changes are agreed by GM via email upon submission of the Q4 claim
    - the GR confirms that the forecasts provided in the claim form for the following financial year should become the revised contractual profiles.

The GR should check with their GM if other minor changes can be classed as administrative.

It is important to note that, individually, these changes may be non-material, but cumulatively they could be significant and constitute a material change (see below). Please discuss with your GM before the GR submits any change request.

Material changes

These changes will require a more formal process with a form to complete. GRs can access the latest form here.

Examples of material changes include:

- changes in the project ownership
- changes in the partnership that affects the strategic fit of the project
- more than 20 per cent reduction or increase in output and/or outcome totals
- reduction in UKSPF grant by more than 20 per cent
- additional UKSPF funding (any percentage increase)

- changes to strategic fit, or activities that are likely to destabilise the project
- removal/addition of a UKSPF intervention (‘E’ number)
- addition/removal of outputs/outcomes.

The GR should check with their GM if other minor changes can be classed as material.

A funding agreement variation may be required following a change request. The GM will inform the GR if this applies.

7. Monitoring meetings

The delivery of UKSPF funding projects will be monitored by your GM throughout the lifetime of the project. Expect monitoring meetings to be held quarterly, shortly after a claim has been submitted.

Meetings will be scheduled up to six months in advance, where possible. After the first 12 months, if a project is on track with no issues, it is at the GM’s discretion to change the frequency of these meetings.

These monitoring meetings are an opportunity to review delivery progress, address concerns, and continue to gain a better understanding of the project. Urgent issues will be discussed as they arise, rather than waiting for the monitoring meeting.

Meetings should ideally take place at a delivery venue of the GR, but can also take place digitally via Microsoft Teams or in-person at a GLA venue. To ensure the meetings are efficient, ideally only key project staff (e.g. the project manager) should attend; we recommend a maximum of two people from the GR attend. As a guide, meetings should take no longer than two hours.

Following the meeting, key discussion points and actions will be shared with the GR via email.

Previous monitoring meeting actions will be reviewed ahead of each scheduled meeting and discussed further if required.

Some areas that may be discussed at this meeting include:

- any issues arising from the most recent claim submission
- financial, output and outcome performance against the profiles in the funding agreement
- any challenges, opportunities (past, current, or future)
- any procurement issues
- any significant changes upcoming on the project, and/or areas that could require a change request
- publicity and upcoming project events
- progress with implementing the EDI and sustainability action plans

- subsidy control.

8. Evaluation

All GRs have set aside up to 2 per cent of their budget for evaluation, which may be undertaken internally by staff or externally (for example by procuring a consultancy). GLA is not prescriptive about the format or style of the evaluation.

However, evaluation activity is expected to focus on the formative/process aspects of delivery. Summative evaluation that assesses impact should also be undertaken; but the GLA acknowledges that the short delivery timescale of the UKSPF programme does not readily support this.

To support summative evaluation, both the UKSPF outputs and outcomes guidance (on the GLA website) and Annex 7 of the GFA refer to qualitative Beneficiary/SME Exit Surveys. These can be used to inform the evaluation.

The DLUHC will be undertaking a national evaluation, and London is expecting to contribute to this. This may mean the GLA requesting the support and input of individual projects.

Any update on evaluation expectations and requirements, including from the GLA, will be communicated to GRs.

9. Further information

Delivery partners

The GR is not required to have a service-level agreement with any delivery partners signed, or in place, in advance of a claim being submitted. This relationship is for the GR to manage. The GFA is between the GLA and the GR only, and does not involve any delivery partners.

Match funding

Match funding is reported in the SLB claim form. Match funding is not a requirement of UKSPF projects.

Government guidance does not explicitly state what counts as match funding, but the evaluation strategy refers to it ‘topping up the UKSPF funding’. With that in mind, match funding can be described as directly linking to UKSPF activity, so it makes that activity bigger and better (i.e. adds value).

Audit

The GLA and/or the UK government may conduct an audit, which could occur at any time during the project lifetime and up to six years after the end of the funding period.

Further information on audits and the responsibilities of the GR can be found in section 8 of the GFA.

10. Closure

The closure process will include a check to ensure that the GR has submitted satisfactory evidence for the GLA to confirm project completion to government. The GR should be aware of their compliance with document retention post-closure.

Further closure guidance will be issued before the end of 2023.

This guidance will be updated accordingly throughout the programme.

11. Documents

List of relevant documents:

- Change Request Form
- SLB UKSPF claim form – example template
- Outputs and outcomes evidence requirements guidance for London
- Subsidy control form

Latest versions of the above documents can be found on the UKSPF GLA website.

VERSION: 3

Date: 02/10/2023

Updates since V1:

- Programme 7 information regarding beneficiaries that are eligible to be supported by projects with funds allocated under this programme (V2)
- Confirmation that if a payment has been made for an expenditure item via a credit card, the purchase date on the credit card statement should be used as the defrayment date (V2)
- Process for invoice submission changed – directly to GM only (V2)
- Grants: Beneficiaries/SMEs should follow the same eligibility guidance issued to GR for eligible expenditure (V2)
- Costs for visa included in eligible expenditure (V2)
- BAME changed to Minority ethnic (V2)
- Updates to branding guidelines (V3)
- Change in project name added to change request guidance (V3)