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**Nottingham
City Council**

UK Shared Prosperity Fund (UKSPF) Nottingham

2025 - 2026 Open Call 2 (OC2)

Supporting Local Businesses

Invitation to bid

December 2024

1. Introduction

The UK Shared Prosperity Fund (UKSPF) was introduced in 2022 as the successor programme to the European Structural Investment Funds (ESIF). It was originally funded until 31 March 2025. The current government has extended this for a further year to 31 March 2026. The original programme was funded directly to Local Authorities by the Government. In 2024 the East Midlands Combined County Authority (EMCCA) was established covering Derby, Derbyshire, Nottingham and Nottinghamshire. The Government will issue 2025-26 UKSPF funds to EMCCA who will then allocate some of this funding to Local Authorities to allow them to continue to fund local provision.

Nottingham City Council set out their approach in an evidence led Investment Plan in 2022. This was approved by the Government. The plan for the programme for 2025-2026 will be to use the available funding to build upon on the successes and achievements to date, in advance of the Government's successor programme, anticipated to start in April 2026.

2. Background

The UKSPF was a central pillar of the previous UK Government's Economic Prosperity improvement agenda and provided £2.6 billion of funding from 2023 to 2025. It has improved pride in place and increased life chances across the UK through investing in communities and place, supporting local business, and people and skills.

The current government has decided to continue funding for UKSPF for a further year before it updates its support programmes from 2026 to 2029. Nationally, it is expected that there will be approximately 60% funding of the 2024-25 budget available in 2025-26.

The UKSPF supported the delivery of the previous Government's missions under three investment priorities: **Communities and Place; Supporting Local Business; and People and Skills.**

Government has published a refreshed prospectus for the UKSPF programme for the 2025-2026 year, which echoes much of the prospectus for the original programme. This [prospectus](#) and a related [Technical Note](#) can be found on the gov.uk website.

Nottingham City Council has taken a holistic approach to UKSPF, ensuring that planned investment is evidenced based and delivers on ambitions set out within our local strategic frameworks i.e. [the Strategic Council Plan](#) and [the Nottingham Economic Growth Plan](#) which include commitments to inclusion, carbon neutrality and being an internationally renowned city of culture, creativity and innovation.

Nottingham's Investment Plan focuses on narrowing regional inequalities across a broad range of indicators and, critically, prioritises interventions that directly address those issues most impacting people, businesses, and communities. Therefore, our two key priority areas are:

1. Economy - Improving the economic prosperity of people and places by:
 - Addressing regional inequalities in employment, pay, skills, productivity and investment in R&D.
 - Creating a more sustainable and inclusive economy
2. Health & Wellbeing - Maximising opportunities to improve health outcomes (e.g. healthy life expectancy, anxiety, wellness) through:
 - The development of programmes that drive economic growth and prosperity, contributing towards increased life chances and improvements in healthy living.

This translates into the following funding priorities under UKSPF for 2025-26:

	UKSPF Investment Priorities	Nottingham UKSPF Funding Priorities
1.	Employment Support for Economically Inactive Individuals	Community Development
2.	Supporting Business Growth Supporting the Social Economy Supporting Business Start-Ups	Supporting Local Businesses

The themes of inclusion, productivity and carbon neutrality are interwoven throughout each Nottingham priority.

Open Call	Min grant for 2025-26	Max grant for 2025-26
OC1 - Employment support for economically inactive individuals* (particularly Nottingham City Council's priority groups)**	£75,000 revenue, £0 capital	£175,000 revenue £75,000 capital
OC2 - Supporting Local Businesses		
Lot 1: Supporting Business Growth	£75,000 revenue	£125,000 revenue
Lot 2: Supporting the Social Economy	£75,000 revenue	£100,000 revenue
Lot 3: Supporting Business Start-Ups / Entrepreneurs	£75,000 revenue	£125,000 revenue

The government will allocate the 2025-26 UKSPF funding for Derby, Derbyshire, Nottingham and Nottinghamshire to EMCCA rather to the City and District councils as was the case with the 2022-2025 programme.

EMCCA proposes to allocate a portion of these funds to regional-level activities, while the remaining funds will be allocated to local authorities to support local projects and activities.

To avoid duplication, confirmation of activities funded at the regional level by EMCCA may influence the grants Nottingham City Council awards for local initiatives.

Applicants should note that no grants will be awarded through this Open Call process until Nottingham City Council's UKSPF allocation has been formally confirmed.

3. Grant Awards

The funding available for grants awarded through this Open Call will be from the **Supporting Local Businesses** strand of Nottingham City Council's 2025-26 UKSPF allocation
Please note as this Open Call has been published in advance of the formal confirmation of EMCCA's plans for its UKSPF programme and the amount of UKSPF Supporting Local Businesses funding that Nottingham City Council will be allocated:

- The funding available to an individual organisation is specified as both a minimum and a maximum grant amount.
- the number of grants issued through this Open Call will be dependent on the total available in the Supporting Local Businesses budget
- in the event of Nottingham City Council not receiving sufficient funding, no grants will be awarded
- applicants should outline their projects, including the expected outputs and outcomes, for the period from 1st April 2025 to 31st March 2026. Should additional funding become available to extend this provision beyond the specified dates, Nottingham City Council reserves the right to offer further grant funding to successful applicants to support the continuation of their projects.

There will be three funding lots:

Lot	Anticipated number of grants awarded
Lot 1: Supporting Business Growth	At least one (subject to available funds)
Lot 2: Supporting the Social Economy	One
Lot 3: Supporting Business Start-Ups	One

Applicants can apply for funds from any of the lots, however the total amount applied for cannot be lower than £75,000 or above £350,000.

Nottingham City Council is expecting to allocate this funding to more than 1 organisation through this Open Call, given the different nature of some of the interventions. However, multi-discipline organisations may be able to deliver the support required across the three lots but would need to demonstrate that they can deliver each element better than single support intervention providers.

Please note - grant funding allocations are indicative and subject to change and/or approval at the discretion of the Government and/or of Nottingham City Council.

4. Aims of UKSPF Supporting Local Businesses

Supporting start-up businesses, supporting businesses with innovation and R&D, and providing tailored dedicated support are key to growing business productivity, increasing the local business pool and driving growth in the economy which can benefit everyone.

Local Priorities for Supporting Local Businesses

Nottingham City Council recognises the role of local businesses in driving forward Nottingham’s economy and encourages them to play an active role in the vitality of the city. From our [Strategic Council Plan](#):

“Nottingham is a great place to work, study and do business in. It is a culturally vibrant and attractive city where families want to live, businesses want to invest, and people want to visit for a good day out or long weekend.

The proposed business support interventions are based on research, academic data on how businesses grow, feedback from business in terms of what they need, and have been consulted on locally to support business growth.

The key objectives are to:

- Increase productivity - by supporting high growth sectors and successful growing businesses with key interventions. The interventions facilitate sectoral growth resulting in high volume impact (jobs) and high value impact (productivity). Supporting innovation also helps increase productivity.
- Create a more entrepreneurial environment - by encouraging start-ups and having spaces available to help businesses grow.
- Support organisations that help tackle social disadvantage - whether by increasing wage growth in high value sectors, creating employment to lift people out of worklessness, or helping disadvantaged communities with targeted interventions for harder to reach communities who are most in need.

This is to be achieved by:

- Core business support – delivered by Nottingham City Council linked to the Growth Hub service, a front line of business support, to guide growing businesses to the best help available.
- Wider local business support – delivered through this funding, to support businesses to grow and prosper across the city, with an emphasis on
 - High value productivity drivers – e.g. life science, inward investment, creative and digital, high value manufacturing, low carbon. This was covered in Nottingham City Council's UKSPF 2022–2025 Open Calls for Inward Investment and for Business Growth (OC3, OC4).
 - High employment – retail, leisure, culture, food and drink, hospitality, visitor economy. This is provided through some local NCC delivery i.e. retail grants and partly through Nottingham City Council's UKSPF Open Call for the Visitor Economy (OC2).
 - a focus on investment readiness, innovation and grants to drive innovation
- Supporting the social economy – funding to support the growth of Nottingham's enterprising third sector (including community businesses, cooperatives and social enterprises) through the provision of specialist start-up, growth, and maintaining sustainability support.
- to create a more entrepreneurial culture and support more new businesses to set up.

5. UKSPF Outputs and Outcomes

The outputs and outcomes associated with the 2025-26 UKSPF interventions are detailed below. In the Indicative Deliverables document (found [here](#)) the definitions of the outputs and outcomes can be found.

Supporting Local Businesses Open Call Outputs and Outcomes

Lot 1: Supporting Business Growth

Lot 1 Outputs

- Number of enterprises receiving non-financial support
- Number of enterprises receiving grants

Lot 1 Outcomes

- Jobs created as a result of support
- Jobs safeguarded as a result of support
- Number of enterprises engaged in new markets
- Number of enterprises adopting new or improved products or services
- Number of enterprises adopting new to the firm technologies or processes
- Number of enterprises with improved productivity
- Increased business sustainability

Nottingham City Council aims to award grants through this Open Call to support projects that provide tailored support that meets the unique growth needs of established businesses in Nottingham. This could include 1-2-1 consultancy, facilitating graduate employment or placements, peer to peer networking or access to relevant training opportunities

The Council identifies the following steps as key to achieving this goal for the majority businesses; receiving support to create and safeguard jobs and to improve productivity.

Lot 2: Supporting the Social Economy

Lot 2 outputs

- Number of enterprises receiving non-financial support
- Number of enterprises receiving grants
- Number of potential entrepreneurs assisted to be enterprise ready
- Number of people attending training sessions

Lot 2 outcomes

- Jobs created as a result of support
- Jobs safeguarded as a result of support
- Number of new enterprises created as a result of support
- Number of enterprises engaged in new markets
- Number of enterprises adopting new or improved products or services

Nottingham City Council aims to award a grant through this Open Call to support a business start-up and growth programme for third sector organisations. A Supporting the Social Economy Programme will help social entrepreneurs and enterprising third sector organisations to innovate and develop solutions to the city's social and environmental challenges through sustainable and innovative social businesses. It will build capacity in values led businesses to overcome obstacles, scale their impact, and increase revenue, ultimately driving lasting social change

The Council identifies the following steps as key to achieving this goal for the majority of existing businesses
accessing relevant training, receiving support to create and safeguard jobs and to engage in new markets. Potential entrepreneurs will require support to become enterprise ready.

Lot 3: Supporting Business Start-Ups

Lot 3 outputs

- Number of enterprises receiving non-financial support
- Number of enterprises receiving grants
- Number of potential entrepreneurs assisted to be enterprise ready
- Number of people attending training sessions

Lot 3 outcomes

- Jobs created as a result of support
- Number of new enterprises created as a result of support
- Number of enterprises engaged in new markets
- Number of new to market products
- Number of enterprises adopting new to the firm technologies or processes
- Number of enterprises adopting new or improved products or services

Nottingham City Council aims to award a grant through this Open Call to support a project that supports the development of the local enterprise ecosystem through animating entrepreneurialism within Nottingham's communities and supporting the start-up of new businesses

The Council identifies the following steps as key to achieving this goal for the majority of those engaged on this project; accessing relevant training, receiving support to become enterprise ready, to create new enterprises and to create jobs.

6. What costs can be attributed to the grant?

Revenue funds can be used to contribute to the costs of ongoing operational expenses required in the running of the project, including:

- Staff salary costs (including Employer NI and Pension contributions).
- Overheads related to employing staff involved in delivering activities funded through the grant.
- Cost of business travel.
- Marketing and publicity costs
- Participant costs / hardship support.
- Small items of equipment (less than £5,000).

7. Timescale and process

Nottingham City Council will run an open call for the 2025-2026 UKSPF programmes.

- Technical Workshop – Thursday 19th December 2024

- Open Call documents published on [Nottingham City Council UKSPF webpage](#) – Friday 3rd January 2025
- Deadline for submission of Open Call applications – 23:59 on Sunday 2nd February 2025
- Grant Agreements issued to successful applicants by 28th February 2025

The anticipated timescales given above may be subject to change depending on:

- when the Nottingham City Council 2025-26 UKSPF funding allocation is confirmed by EMCCA
- the number of applications received
- timescales for submission and approval of UKSPF 2025-26 Investment Plans (if these are required)
- the outputs and outcomes included in the 2025-26 programme (and their definitions)

8. How will applications be assessed?

Nottingham City Council will assess all grant applications submitted before the deadline of **23:59 on Sunday 2nd February 2025**.

Assessment will involve four stages; Gateway, Scoring, Moderation and Further Moderation (if required), including sign off of shortlisted applications. Questions that are to be scored have been weighted.

Further information regarding the assessment criteria can be found in Appendix A: UKSPF Nottingham Assessment Criteria.

Following assessment, Nottingham City Council will inform all applicants of their outcome.

Successful applicants will enter into a grant agreement with Nottingham City Council. A template grant agreement will be provided for reference as part of the bid documentation.

9. How to apply

To apply for grant funding, applicants must complete and submit the following documents to Nottingham City Council using the email address: UKSPF@nottinghamcity.gov.uk

- UKSPF Nottingham – OC2 – **Supporting Local Businesses** Application Form
- UKSPF Nottingham – OC2 – Appendix B – **Supporting Local Businesses** – Budget & Performance Profile
- Evidence of Economic and Financial Standing (1.1 of the application form)

Applications submitted in any other format will not be accepted.

Complete applications must be submitted by: **23:59 on Sunday 2nd February 2025**.

10. Further information

For any technical queries please email: UKSPF@nottinghamcity.gov.uk

APPENDIX A: NOTTINGHAM ASSESSMENT CRITERIA (FOR OC2)

Stage 1. GATEWAY CRITERIA

Criteria	Pass	Fail	Partial
Criteria 1: Application signed, fully completed and returned on time	<input type="checkbox"/>	<input type="checkbox"/>	-
Criteria 2: Economic and Financial Standing*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Criteria 3: Economic and Financial Risk*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Criteria 4: Financial clawback in past 12 months	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Criteria 5: Policies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Criteria 6: Liability Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**These will also be assessed via due diligence checks on Equifax and Spotlight.*

Applications that fail any criterion cannot progress to Stage 2. Scoring.

For the questions which have been assessed as partial, progress to Stage 2 is allowed. Scoring will be allowed with justification from the Assessor.

STAGE 2. SCORING

The maximum score for each question is 5, based on the scoring framework below, but some are weighted through the multiplication of the assigned score. For example, a score of 5 weighted by a factor of 4 will equal a total score of 20. The maximum score and multiplication weightings are shown on the application form in the dark grey box to the right of each question.

SCORING FRAMEWORK

Score	Assessment	Description
0	Unacceptable	Response to the question is unacceptable or no response received. Does not give the Fund confidence in the ability of the bidder to deliver the contract.
1	Poor/Weak Response	Inadequate detail provided or some of the answer not directly relevant to the question. Is supported by none or a weak standard of evidence in several areas giving rise to concern about the ability of the bidder to deliver the contract.
2	Below Expectations	Limited information provided, and/or a response that is inadequate or only partially addresses the question giving rise to concern about the ability of the bidder to deliver the contract.
3	Satisfactory Response	Acceptable response in terms of the level of detail, accuracy and relevance. Is supported by a satisfactory standard of evidence in most areas but a few areas lacking detail/evidence giving rise to some concerns about the ability of the bidder to deliver the contract.
4	Good Response	Comprehensive response in terms of detail and relevance to the question and supported by good standard of evidence. Gives the Fund confidence in the ability of the bidder to deliver the contract. Meets the Fund's requirements.
5	Very Good Response	As Good, but to a better degree in terms of precision and relevance. Is comprehensive and supported by a high standard of evidence. Gives the Fund a high level of confidence in the ability of the bidder to deliver the contract. May exceed the Fund's requirements in some respects, for example, added value such as integration/synergy with other projects.

The weighted score for Part 2 of the application form will be out of 35

The weighted score for Part 3: Section 1 of the application form will be out of 85

The weighted score for Part 3: Section 2 of the application form will be out of 85.

The weighted score for Part 3: Section 3 of the application form will be out of 85

The weighted score for the Application Form (Part 2 + Part 3) will be out of 120

Scoring for Appendix B of the application (the excel document)

The financial details in Appendix B will be used to evaluate the value for money of the proposed project.

The number of businesses engaged, along with the number achieving each output and outcome, will be used to assess the project's impact and effectiveness.

Higher scores will be awarded to projects that:

- Offer a comprehensive range of support
- Focus on key steps for facilitating supporting businesses
- Demonstrate that the support provided will lead to businesses achieving programme outcomes

Weightings will be applied to certain criteria to reflect their relative importance in the proposal.

To prevent all applicants from submitting figures that would guarantee maximum scores in the appendix, the scoring framework and weightings will not be made available prior to the Open Call deadline

For Lot 1: The weighted score for Appendix B of the application will be out of 47

For Lot 2: The weighted score for Appendix B of the application will be out of 65

For Lot 3: The weighted score for Appendix B of the application will be out of 65

The Total Score for each Lot will be the combined score for the Part 2 in the application form, plus the relevant section of Part 3 plus the relevant lot's Appendix B score

If you apply for more than one Investment Priorities, they will be scored separately.

STAGE 3. MODERATION

Funding from each Investment Priority will be awarded to the applicants with the highest score. The number of successful organisations for Lot 1 will be dependent on the availability of funds.

Where applications tie on scores, further moderation criteria will be applied as detailed in Stage 4, or applicants may be invited to discuss/negotiate their total project values.

In selecting projects, overall caps will be applied in line with the maximum total funding available for each Lot. This may result in applicants being invited to discuss/negotiate their total project values, their planned profiles of expenditure and outputs and outcomes, or the proportions of revenue and capital funding.

STAGE 4. FURTHER MODERATION (IF REQUIRED) AND SIGN OFF OF SUCCESSFUL APPLICATIONS

Based on the degree of moderation required to end up with a range of Grants which doesn't exceed the maximum funding available in each Lot, Nottingham City Council, at its discretion, will agree an additional ranking or scoring framework (e.g. impact on Nottingham's priority sectors).

NOTIFICATION OF INVITATION TO BID OUTCOME

Once the outcome of the assessment process has been notified to all applicants, organisations can request feedback on their applications and scoring.