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UK SHARED PROSPERITY FUND DUNDEE

LOCAL BUSINESS SUPPORT

S18 Investing in enterprise infrastructure and employment/innovation site development projects - facilities for use by multiple micro, small, and medium sized enterprises

CHALLENGE FUND ROUND 4

Invitation to bid opens	12:00 on 12 February 2024
Invitation to bid closes	17:00 on 5 March 2024
Minimum application level	£10,000
Maximum application level	£250,000 Grants of up to £500,000 may be awarded in exceptional circumstances. If your projects costs are between £250,000 and £500,000, please contact DCC's funding team for an initial conversation – externalfunding@dundee.gov.uk
Match Funding	25% - this can be a mix of in-kind and direct capital. Applications with higher levels of match funding will be considered better value for money and may be considered more favourably.
Timescales	Projects must complete by 31 March 2025
Application process	Apply via the online portal, launched here on 12 February: https://www.dundee.gov.uk/service-area/city-development/planning-and-economic-development/the-uk-shared-prosperity-fund-ukspf Applications submitted late or via any other method will not be accepted. Please ensure you read the full guidance before submitting your application.

Intervention Specific Guidance for S18

Intervention overview

Dundee City Council is looking to support projects that create spaces for innovation that can be accessed by a range of organisations, individuals, companies, researchers etc. The funding is available to support the development of new business sites/spaces and accelerators, maker space and

incubator provision to support businesses to innovate, scale and attract new investment/customers. Priority will be given to projects that focus on local growth sectors; projects that support networking and collaboration between and across sectors; and that encourage private sector investment in new product development, new market development, exporting potential etc.

The funding made available against this intervention is for Capital spend **only** and as such prospective applicants must ensure that Revenue costs are not included in their proposals. Capital expenditure refers to funds used to acquire, build or upgrade physical assets. Such expenditure is usually a one-time large purchase or development of a fixed asset.

The Tay Cities Region input to the National Strategy for Economic Transformation highlighted a number of key challenges for businesses in the region and this included a lack of infrastructure to facilitate growth, which is critical to retaining and expanding businesses in key sectors.

The 2021 Scottish Productivity Index Scotland indicated that Scotland lags behind other parts of the UK and our international competitors in nine of the thirteen productivity indicators for which comparable data was available (down from eleven out of fifteen in 2020). This includes business investment, exporting and innovation. The report recognises that improving Scotland's productivity performance is a long-term challenge and remains the only sustainable way of increasing wages and ultimately improving living standards.

Dundee's GVA per head of population is above the Scottish average at £27,712 compared to the Scottish average of £25,485, but interestingly, GVA per job in the city is well below the Scottish average at £43,000 compared to £47,300 (*Source: ONS Regional GVA (balanced) local authorities by NUTS1 region (released December 2018); ONS Annual Population Survey, Jan-Dec 2018*)

Improving productivity is key to economic growth and one of the most successful ways of increasing productivity is to innovate. Innovation can lead to higher productivity, meaning that the same input generates a greater output. As productivity rises, more goods and services are produced – in other words, the economy grows.

The choice of proposed interventions under the Supporting Local Business Investment Priority aim to ensure that businesses in the city have the funding and support necessary to grow and increase their productivity, including through investing in innovation.

The aim of the funding is to develop innovation/training spaces that can be accessed by a range of organisations, individuals, companies, researchers etc.

This could for example provide support to developing projects within the city, including those funded by the Tay Cities Deal, as long as it was for wholly additional/unfunded activities.

Eligible Applicants

Any legally constituted organisation/body can apply as long as 100% of the activity takes place within Dundee City Council's boundaries. Priority will be given to:

- Organisations with a track record of supporting growth within key sectors.
- Organisations with access to premises that can be used to provide innovation space to start-ups, early-stage growth companies and companies looking to develop new products and to innovate.

Priority will be given to projects that focus on local growth sectors; projects that support networking and collaboration between and across sectors; and that encourage/support additional leverage of

funding and/or private sector investment in new product development, new market development, exporting potential etc.

Eligible costs

This intervention is for capital investment only and therefore eligible costs include: Construction costs such as material and labour; purchase of large scale equipment; professional fees.

Plans to consider include (note this is not a comprehensive list and there may be other equally or more relevant plans to consider depending on the intervention):

- [Dundee City Council City Plan 2022-2032](#)
- [Tay Cities Regional Economic Strategy](#)
- [Scotland's National Strategy for Economic Transformation - gov.scot \(www.gov.scot\)](#)
- [UK Shared Prosperity Fund – Supporting Local Business theme](#)
- [Levelling Up White Paper](#)

Intervention specific questions

In addition to the information contained in the general application guidance on responding to the core questions you should also respond to these intervention specific questions:

How will your project ensure that multiple micro and small & medium sized enterprises are able to access the services and facilities provided?

The aim of the funding is to develop innovation/training spaces that can be accessed by a range of organisations, companies, researchers etc. This answer should therefore explain clearly how other stakeholders will be able to access the space. Demonstrate existing links with such organisations or plans to engage new stakeholders as part of the project.

How does your proposed project support key local growth sectors?

Key local and regional strategies have identified strategic priorities for sectors including: life sciences, digital, food & drink, creative industries, low carbon/renewables/energy and financial services. This answer should explain how your project will impact positively or one or more of these sectors.

Outputs and Outcomes

S18 Outputs:

- Number of businesses receiving grants (numerical value)
- Number of commercial buildings developed or improved (numerical value)
- Metres squared of commercial buildings developed or improved (m2)
- Amount of rehabilitated land or premises (m2)

S18 Outcomes:

- Jobs created (numerical value)
- Jobs safeguarded (numerical value)
- Increased amount of investment (£)
- Number of new businesses created (numerical value)
- Number of premises with improved digital connectivity (numerical value)
- Number of businesses adopting new to the firm technology or processes (numerical value)

Applicants should also provide a baseline figure in order that we can measure progress in achieving the outcomes and outputs (e.g. if there are currently no businesses receiving UKSPF grants, the baseline would be zero).

Further Information

[UK Shared Prosperity Fund: overview \(1\) - GOV.UK \(www.gov.uk\)](#)

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

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

[UK Shared Prosperity Fund: monitoring and evaluation \(4\) - GOV.UK \(www.gov.uk\)](#)

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

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

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

[UK Shared Prosperity Fund: procurement \(8\) - GOV.UK \(www.gov.uk\)](#)

[UK Shared Prosperity Fund: equalities \(9\) - GOV.UK \(www.gov.uk\)](#)

[UK Subsidy Control Statutory Guidance](#)