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Submitted to Submit an investment plan to the UK Shared Prosperity Fund in England Submitted on 2022-08-01 12:19:07 Investment priorities Navigating your investment plan submission About your investment plan Get help Your location In which region is the lead authority based? East Midlands Your location: East Midlands Select the lead authority Select the lead authority: Nottingham Your details Full Name First name and surname: Owen Harvey Email address Email address: owen.harvey@nottinghamcity.gov.uk Phone number Phone number: 07834105996 Organisation Organisation: Nottingham City Council Local challenges and opportunities Local challenges and opportunities: Communities and Place Are there any local challenges you face which fall under the Communities and Place investment priority? Yes Local challenges and opportunities: Communities and Place Describe these challenges, give evidence where possible Describe these challenges, give evidence where possible:

In response to the Levelling Up White Paper and in preparation for submitting Nottingham's UKSPF Investment Plan, the Council, in partnership with stakeholders, developed a Levelling Up Evidence Base.

This sets out an analysis of where Nottingham currently sits in respect of each of the 12 missions and the headline metrics, and provides evidenced based recommendations for how the City responds to Government's Levelling Up agenda and in particular, The UK Shared Prosperity Fund (UKSPF).

Compared to national averages, Economy, R&D, Health and Wellbeing and Devolution represent Nottingham's most significant Levelling Up gaps.

From the evidence base, coupled with local data on the wider determinants of inequality and priorities set out within The Nottingham Economic Recovery and Renewal Plan, it is recommended Nottingham's UKSPF Investment Plan focuses on narrowing the City's Levelling Up gap across two key priority areas:

I. Economy – Improving the economic prosperity of people and places. Addressing regional inequalities in employment, pay, skills, productivity and investment in R&D; creating a more sustainable inclusive economy, adapted for a post-Covid and digitally enabled world.

II. Health and 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 outcomes Nottingham continues to see high levels of inequality and deprivation across a number of indicators important for quality of life (e.g. Pay, Employment, Healthy Life Expectancy, and Anxiety).

In the 2019 Indices of Multiple Deprivation (IMD), Nottingham ranked as the 11th most deprived Local Authority out of 317 in England.

56 of the 182 Lower Super Output Areas (LSOAs) in the City fall amongst the 10% most deprived in the country. Regarding income deprivation, 30% of the Local Super Output Areas (LSOAs) in the City are amongst the 10% most deprived nationally.

The health of people in Nottingham is generally worse than the England average. This is clear when comparing life expectancy and healthy life expectancy in Nottingham which currently stands at 57.0 years for women (63.9 nationally) and 57.4 years for men (63.1 nationally).

Nottingham has several place-based challenges and opportunities both within the city centre and outer estates.

As the only core city in the region, Nottingham is a key driver of regional economic growth and is the largest business centre in the East Midlands.

Nottingham's Southern Gateway is currently alive with over £2bn invested into major developments catalysed by public and private investment, including a new Further Education Skills Hub, a transformed world class visitor attraction at Nottingham Castle, and a new Central Library with a state of the art bus station.

High Speed Rail 2 will now serve Nottingham train station directly, cutting journey times to London, and cementing Nottingham's position as the leading integrated Transport Hub in the East Midlands.

However, the city centre, has a need to re-define itself post pandemic. Online sales have reduced demand for retail in the city centre, with retail vacancy rates currently stand at 13%. Office occupancy has not returned to pre pandemic levels and footfall is still15% below pre pandemic levels.

Neighbourhoods have performed well over recent years (e.g. retail vacancy rates are less than 8%). However, some local centres suffer from relative neglect, creating issues around lack of pride in place, anti-social behaviour, and crime.

Neighbourhood crime (per 1,000 population) in the City stands at 10.2, which is 6.8 higher than the England average of 3.

Local centres would benefit from placemaking interventions that create jobs, increase footfall, improve trade, support access to high quality green space, and deliver inclusive cultural and creative events.

Local challenges and opportunities: Communities and Place

Are there any local opportunities which fall under the Communities and Place investment priority that you intend to support?

Yes

Local challenges and opportunities: Communities and Place

Describe these opportunities, give evidence where possible

Describe these opportunities, give evidence where possible:

Planned activity will complement a range of Levelling up Missions:

- 1. Raise pay, employment and productivity in every area, each containing a globally competitive city.
- 9. Increase pride in place, including satisfaction with town centres and community engagement.

Creating a more vibrant and inclusive city centre and thriving local neighbourhoods will help narrow the Levelling Up gap by bringing people closer to opportunity and raising aspirations through jobs, skills, business growth, leveraging private sector investment, improving pride in place and the health and wellbeing of communities.

Sustainable investment in blue/green infrastructure improvements and increasing access to high quality green space will help the City meet its Carbon Neutral 2028 commitment.

Unlocking opportunities for communities to experience culture, heritage and creative arts will increase a sense of wellbeing and life satisfaction.

The key opportunities lie in reshaping the city centre, whilst also promoting an inclusive economy through revenue and capital place-based investments spread fairly and equitably across neighbourhoods.

CITY CENTRE AND HIGH STREET IMPROVEMENTS

The Council has developed a 12-month action plan for the city centre, supported by a City Centre Strategy group, that includes public realm, vacant units' grant funds, high street improvements and city centre greening.

This will help retain Nottingham as a core retail and leisure destination, bringing in more visitors and making it easier for leisure and other operators to revitalise areas of high vacancy, and for new and existing businesses to grow.

It will also help shift the emphasis away from traditional retail with the intention to use some of the funding to support more experiential businesses. The profile of the city centre in terms of footfall and scale of businesses, means that even small percentage increases can lead to large economic impact.

NEIGHBOURHOOD AND COMMUNITY IMPROVEMENTS

Given the local area variation in deprivation, and the diverse communities in the City, the priority will be to support local neighbourhoods with a variety of interventions.

This will include supporting local groups to deliver community projects (which could include arts, culture and heritage projects), improving the public realm and neighbourhood centres, and addressing any local pockets of blight and vacant high street areas.

Local neighbourhoods will be engaged to identify their specific needs and ensure that the projects bring forward best value. Some areas experience high levels of inequality meaning small interventions can create large social and economic benefits, empowering local people and delivering economic benefit tailored to local need.

The aim will be to link this community and neighbourhood to wider economic development incorporating skills and business support at a local community level (through opens calls to create synergies).

VISITOR ECONOMY AND PLACE MAKING

Supporting the visitor economy brings people into the City increasing spend on local attractions and hospitality. Marketing campaigns to encourage visits to see a range of local tourist attractions increase local economic vibrancy and jobs. Nottingham is well placed to undertake these campaigns building upon the expertise, resources, and previous experience of its local tourism destination management organisation, and its USPs such as Robin Hood.

REDUCING THE COST OF LIVING

Partly a test case to find innovative solutions, there is an opportunity to explore a series of interventions which could reduce the impact of the cost of living crisis locally, which is the key socioeconomic issue facing residents in Nottingham today.

Targeted interventions could help address the rapidly escalating costs of energy, fuel or food, subject to the needs of community groups identified through engagement activities. This would be linked to the community support work, as a potential route to help save people money.

Local challenges and opportunities: Supporting Local Business

Are there any local challenges you face which fall under the Supporting Local Business investment priority?

Yes

Local challenges and opportunities: Supporting Local Business

Describe these challenges, give evidence where possible

Describe these challenges, give evidence where possible:

Productivity is relatively low in Nottingham, reflecting the City's over reliance on a low wage low skilled economy, with large numbers employed in lower skilled, lower wage jobs (e.g. logistics, retail, care workers and public administration).

GVA in Nottingham is 13.7% lower than the England average. As productivity directly impacts on pay, local earnings are also significantly below the national average.

Business birth rates per 10,000 population in Nottingham is 50.1, whereas the England average is significantly higher at 70.4. Low business 'churn' can lead to stagnation, with a below average rate of new, disruptive businesses entering the market to drive up competition and innovation.

Inward investment and general levels of investment are low in Nottingham. Increasing inward investment would encourage more businesses to move to or expand in the City, boosting productivity levels, employment and pay by increasing the number of high growth strong performing businesses located

here.

Nottingham is a diverse city. For example, 35% of the population are Black, Asian and Minority Ethnic (BAME). And this proportion is growing. However, sustainable investment is needed to support under-represented businesses to survive and prosper.

Businesses are confronting significant challenges across a number of areas that threaten viability and growth in both high employment sectors but also in high value high growth sectors.

The last 18 months have seen unprecedented challenges for UK businesses, with the significant upheaval caused by both Brexit and the Covid-19 pandemic.

Staff shortages is a current significant business issue for employers, notably in hospitality, health and social care, construction and IT, but it extends to many areas of vacancies in other key sectors.

High energy costs and material inflation in certain products, for example, food ingredients and certain construction raw materials, is putting a strain on business finances. Company energy costs have increased fourfold in the last 12 months.

Digitisation is more important than ever. Technology such as Artificial Intelligence can also help businesses save money, become more efficient and even help with some of those supply chain issues. Despite this, many businesses are still lagging-behind and are struggling to find the funds required to digitise.

Between May 2023 and June 2023, Nottingham will lose vital ESIF funding currently supporting a range of business support interventions including regional business support (including targeted support for under-represented businesses), inward investment, sector innovation and knowledge exchange, and carbon reduction measures for businesses.

Local challenges and opportunities: Supporting Local Business

Are there any local opportunities which fall under the Supporting Local Business investment priority that you intend to support?

Yes

Local challenges and opportunities: Supporting Local Business

Describe these opportunities, give evidence where possible

Describe these opportunities, give evidence where possible:

Planned activity will complement the Levelling up Mission 1: Raise pay, employment, and productivity in every area, each containing a globally competitive city.

GENERAL SUPPORT FOR BUSINESSES

Particularly focusing on all access wrap around business support for small to medium sized enterprises covering all aspects of business operations including recruiting and retaining workers and CPD support.

INNOVATION SUPPORT

Helping businesses develop new products and technologies, access greater levels of R&D funding, increase uptake of Higher Education Knowledge Exchange programmes (from the University of Nottingham and Nottingham Trent University) and increase graduate retention helping businesses to benefit from graduate level expertise.

START UP SUPPORT

Targeted support that creates a more thriving local entrepreneurial eco system, developing Nottingham's future entrepreneurs and disrupters.

KEY SECTOR SUPPORT

Nottingham has a number of higher value growth sectors, including life sciences, digital, clean technology, high value manufacturing, creative and cultural. Supporting growth in these sectors is key to rebalancing the local economy.

INWARD INVESTMENT

Support for inward investment and associated business conferences and events that grow the local economy and bring in innovation, especially in key sectors.

VISITOR ECONOMY

Supporting the visitor economy brings people into the City who then spend money on attractions and hospitality. Marketing campaigns to encourage visits to see a range of local tourist attractions increase local economic vibrancy and jobs. Nottingham is well placed to undertake these campaigns

building upon the expertise, resources and previous experience of its local tourism destination management organisation, and its USPs such as Robin Hood.

Local challenges and opportunities: People and Skills

Are there any local challenges you face which fall under the People and Skills investment priority?

Yes

Local challenges and opportunities: People and Skills

Describe these challenges, give evidence where possible

Describe these challenges, give evidence where possible:

The Levelling Up Evidence Base demonstrates that some of the biggest challenges facing people within local communities today are economic, driven by high levels of unemployment, access to in demand skills, low pay, low levels of disposable household income and in some cases a lack of opportunity.

Economic inequalities have been exacerbated by the Covid-19 pandemic and recent cost of living crises with rising energy bills, inflation, and food poverty, deepening inequalities and increasing financial pressure on individuals and families, including those in and out of employment.

Inequalities impact negatively on a range of wider outcomes, including physical and mental health, wellbeing, crime, and affordable housing.

Income deprivation is a key characteristic of Nottingham with 30% of the Local Super Output Areas (LSOAs) in the City amongst the 10% most deprived nationally.

1 in 20 people in Nottingham made use of the services of a debt advice agency in 2017-18.

In May 2022, the City was estimated to have an unemployment rate of 5.2% of the working age population, compared to 3.8% nationally.

The local employment rate has historically lagged behind the national rate and continues to do so with employment rates in Nottingham standing at 71.7%, which is 3.4% below the national average of 75.1%.

The employment rate gap widens further for some of the City's priority groups. In March 2022, the BAME employment rate in Nottingham was 7.42% lower than the national average, the disabled employment rate was 22.21% lower than the national average, and the employment rate for older workers was 3.18% lower than the national average.

The employment rate gap between men and women in Nottingham stands at 2.6%.

In addition to universal employment support needs, some individuals within the City also require intensive longer-term assistance to help overcome multiple and complex needs (e.g. homelessness, disabilities, financial vulnerability), that not only prevent people gaining employment but also accessing employment support provision in general.

Looking at the 2019 IMD deprivation data at sub city level, the evidence of inequality within and across the City, particularly on employment and income, is clear. Nottingham North is 10th worst in the country for employment and 6th worst in the country for income.

Whilst youth unemployment rates are now broadly in line with the pre-pandemic average, for young people, successfully transitioning from school into post-16 employment and training remains a challenge for some. Whilst the City continues to reduce the number of 16 and 17 year olds Not in Education Employment or Training (NEET), the NEET rate for Nottingham is 4.3%, which tracks at 1.8% higher than the England average of 2.5%.

For level 2 attainment specifically (defined as 5 GCSEs at grades 9-4 (A*-C) or an equivalent vocational qualification), Nottingham is one of the worst performing local authorities in England, with only 67.7% of pupils attaining Level 2 by the age 19.

Basic and entry level skills attainment in the City also track below national average. For example, Nottingham ranks in the 96th percentile in terms of numeracy skills need. Ranking in the 96th percentile means only 4% of Local Authorities rank higher for need (and, therefore, lower for skills).

24,300 people in Nottingham have no qualifications.

In addition to attainment, aligning skills and qualifications to the needs of the local economy, future proofing local skills as the economy undergoes a period of change is critical, as is ensuring the City provides accessible basic skills and entry level skills pathways for those with limited or no qualifications, unlocking routeways into intermediate, advanced and higher level skills.

Access to skills and well-paid sustainable employment is a vital to improving living standards and narrowing Levelling Up gaps.

The significant reduction in support for residents and employers due to the end of ESF funded projects will create a challenge for Nottingham.

The City will receive c£6m less per year than it did through ESIF funds to deliver support to its inactive/unemployed residents and its businesses. This drop in available funding could destabilise the local provision landscape and have a significant impact on some organisations who have developed expertise over the past 10 years.

The challenge will be to use UKSPF to build on the projects that have delivered the highest quality support and offered the best value for money, and to identify additional gaps that may not have been supported previously.

Local challenges and opportunities: People and Skills

Are there any local opportunities which fall under the People and Skills investment priority that you intend to support?

Yes

Local challenges and opportunities: People and Skills

Describe these opportunities, give evidence where possible

Describe these opportunities, give evidence where possible:

Planned activity will complement two core Levelling Up Missions:

- 1. Raise pay, employment, and productivity in every area, each containing a globally competitive city.
- 6. Significantly increase skills training in every part of the UK.

EMPLOYMENT SUPPORT AND COMMUNITY DEVELOPMENT PROJECTS

Funding to improve local infrastructure and engagement, supporting unemployed and inactive individuals to access jobs and training (including basic, life skills and employability courses).

Targeted employment support to improve outreach, ensuring that priority groups (BAME, Over 50's, Women, those with disabilities, and young people) remove barriers to employment, access vocational skills pathways and jobs, thereby reducing inequality and poverty within the City.

Funding to maximise 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 outcomes.

JOB CREATION AND RECRUITMENT SUPPORT FOR EMPLOYERS

Supporting employers to create, recruit and safeguard employment, access apprenticeships and local Levy transfers and upskill the workforce through a variety of in-work skills support mechanisms (e.g. bootcamps, apprenticeships, and T levels).

GREEN SKILLS

Nottingham City has an ambition to become Carbon Neutral by 2028. To support delivery of this ambition, Nottingham will need to significantly increase its green skills base. Employment and skills provision will support individuals to develop essential green skills to benefit from job and training opportunities emerging from this sector.

REDUCING DIGITAL POVERTY

The Covid-19 pandemic highlighted a stark digital divide across the UK, with 7 million households with no access to the internet (Ofcom Adults' Media Use and Attitudes Report 2020), and tens of millions reliant on pay-as you go services, resulting in digital exclusion for some the UK's poorest and most vulnerable households.

23% of 5-15 year olds in the poorest households do not have access to both an educationally ideal device (laptop, desktop or tablet) and broadband (Ofcom Adults' Media Use and Attitudes Report 2020).

Digital poverty restricts access to healthcare, education, employment support, online benefit systems and wider public services.

Interventions

Interventions: Communities and Place

Does your investment plan meet the Communities and Place investment priority?

Yes

Interventions: Communities and Place

What are the outcomes you want to deliver under this investment priority? Select all that apply.

Jobs created, Jobs safeguarded, Increased footfall, Increased visitor numbers, Reduced vacancy rates, Greenhouse gas reductions, Improved perceived/experienced accessibility, Improved perception of facilities/amenities, Increased users of facilities/amenities, Improved perception of facility/infrastructure project, Improved engagement numbers, Number of community-led arts, cultural, heritage and creative programmes as a result of support, Improved perception of events, Increased number of web searches for a place, Increased take up of energy efficiency measures

Interventions: Communities and Place

Select the interventions you intend to use which meet this priority. You can select as many as you like.

E1: Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs., E2: Funding for new, or improvements to existing, community and neighbourhood infrastructure projects including those that increase communities' resilience to natural hazards, such as flooding. This could cover capital spend and running costs., E6: Support for local arts, cultural, heritage and creative activities., E8: Funding for the development and promotion of wider campaigns which encourage people to visit and explore the local area., E12: Investment in community engagement schemes to support community involvement in decision making in local regeneration., E13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.

Interventions: Communities and Place

Do you plan to use any interventions not included on this list?

Nο

Interventions: Communities and Place

Have you already identified any projects which fall under the Communities and Place investment priority?

Yes

Interventions: Communities and Place

Describe these projects, including their proposed locations and how they fall under this investment priority.

Describe these projects, including their proposed locations and how they fall under this investment priority.:

Nottingham City Council has a list of city centre and community place based projects it wants to fund under this Investment Priority. These include public realm improvements, greening, events, vacant premises grants, and renovation of some of the key city centre areas.

The intention is to deliver small scale pedestrianisation projects that improve pedestrian crossing points in the city centre. This set of projects will increase place perception, reduce vacancies, increase footfall and hence drive overall economic growth for the City.

For the neighbourhood projects, the focus is on identified key neighbourhood retail areas where the intention is to work with the community groups in those areas to provide a short list of projects via a fair and transparent commissioning process.

Those areas include Clifton, Bulwell, St Ann's, Sneinton/Sneinton Market, Hyson Green, Bilborough, Sherwood, with other neighbourhood areas to be confirmed

The projects will be developed with the community to meet their local needs, and will drive footfall, reduce vacancies, increase jobs and drive overall economic wellbeing.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

Yes

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

Detail the assessment you undertook to consider whether the proposed project constitute a subsidy/State Aid and any specific measures you will take to make sure the subsidy is permitted.:

The assessment undertook for each proposed planned activity/project:

- It was compared to the four key characteristics of a subsidy.
- If it was assessed as a subsidy, it was reviewed against the seven subsidy principles.

Where it was deemed a subsidy, the mitigating actions are also described.

FOUR KEY CHARACTERISTICS

1. Is the support provided by a 'public authority' and does the support constitute a financial (or in kind) contribution such as a grant, loan or guarantee?

Yes. The support does come from a public authority (Nottingham City Council) but is not a financial or in kind contribution such as a grant, loan or guarantee. Funding will be to the Council in carrying out its legal functions or to organisations procured through open calls

2. Does the support measure confer an economic advantage on one or more economic actors?

Yes. The open calls will be won by a/some economic actors who will be chosen over others, thus conferring an economic advantage.

3. Is the support measure specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services?

Yes. As a result of the open call economic actors will benefit in relation to the production of good or services over others.

4. Does the support measure have the potential to cause a distortion in or harm to competition, trade or investment?

Yes. As this gives funding to economic actors it has the potential to cause a distortion in or harm to competition. As the amounts are small and the recipients will be procured such a distortion would be minimal.

SEVEN SUBSIDY PRINCIPLES

1. Subsidies should pursue a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social difficulties or distributional concerns ("the objective").

The specific policy objective to meet market failure is Levelling Up. Nottingham is a city in need of Levelling Up, with wide spread deprivation, typified by low productivity, employment rates, and pay with high retail vacancy rates, and urban blight. The market is not addressing these needs, and will not without intervention. A subsidy is needed to meet these needs.

2. Subsidies should be proportionate and limited to what is necessary to achieve the objective.

Any subsidies will be limited to that necessary to achieve the objective. They will be at market rate as solutions will be procured through open competition, thus limiting the amount of subsidy.

3. Subsidies should be designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided.

Any subsidy given will be to an economic actor who will change what they do (expansion or reallocation) to ensure that the objective is achieved. Without the funding this will not take place.

4. Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy.

The activities supported by the subsidy are additional to the deliverer's activity and would not be delivered without a subsidy

5. Subsidies should be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means.

The subsidies will be for:

- Improvements to town centres and high streets.
- Community and neighbourhood infrastructure projects.
- Local arts, cultural, heritage and creative activities.
- Campaigns to encourage visits and exploring of local areas.
- Community engagement schemes, local regeneration.
- Community measures to reduce the cost of living.

The funding will give an opportunity to accelerate the above achieving more than planned and bringing forward changes for communities.

Other options considered were:

- I. Do nothing/business as usual. This would not achieve the policy objective and may be counterproductive in that some potential recipients of the subsidy may suffer decline whilst waiting for any change.
- II. Take out a loan. This is impractical as the interventions will give no direct return on investment that could be used to repay the loan.
- III. Increase the number of volunteers working in this area. This would be an effective way to work (except for the infrastructure projects where professionals are needed). However, volunteers need recruiting and managing and Nottingham City Council does not have the facility to do so at the moment.

All will be delivered either by in-house teams at Nottingham City Council or through procured deliverers. All procurements will be carried out through open calls or through call off from frameworks which in themselves were achieved through open calls.

6. Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition or investment within the United Kingdom.

All activities will be delivered either by in house teams at Nottingham City Council or through procured deliverers. The in house work will be for where Nottingham City Council has a duty to deliver such work. All procurements will be carried out through open calls or through call off from frameworks which in themselves were achieved through open calls.

7. Subsidies' positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties.

The subsidy will be managed through open calls and use of existing frameworks. As such there will be no negative effects on trade or investment.

MITIGATION

Mitigation will be through:

- · Use of open calls and frameworks.
- Use of minimal financial assistance regulations. All contracts will be small.
- Should there be an instance where a contractor is above the minimal financial assistance level or is above the £100,000 level, then the subsidy will be registered through the transparency portal, allowing for any challenge.

Interventions: Supporting Local Business

Does your investment plan meet the Supporting Local Business investment priority?

Yes

Interventions: Supporting Local Business

What are the outcomes you want to deliver under this investment priority? Select all that apply.

Jobs created, Jobs safeguarded, Number of new businesses created, Increased footfall, Increased visitor numbers, Reduced vacancy rates, Increased business sustainability, Increased number of businesses supported, Increased amount of investment, Number of businesses introducing new products to the firm, Number of organisations engaged in new knowledge transfer activity, Number of premises with improved digital connectivity, Number of businesses adopting new to the firm technologies or processes, Number of new to market products, Number of businesses with improved productivity, Number of R&D active businesses, Number of businesses adopting new or improved products or services, Number of businesses engaged in new markets, Number of early stage firms which increase their revenue following support, Number of businesses increasing their export capability

Interventions: Supporting Local Business

Select the interventions you intend to use which meet this priority. You can select as many as you like.

E17: Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally. 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. E20: Research and development grants supporting the development of innovative products and services. E22: Investing in enterprise infrastructure and employment/innovation site development projects. This can help to unlock site development projects which will support growth in places. E23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks. E24: Funding for new and improvements to existing training hubs, business support offers, 'incubators' and 'accelerators' for local enterprise (including social enterprise) which can support entrepreneurs and start-ups through the early stages of development and growth by offering a combination of services including account management, advice, resources, training, coaching, mentorship and access to workspace. E25: Grants to help places bid for and host international business events and conferences that support wider local growth sectors. E26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises. E27: Funding to develop angel investor networks nationwide. E30: Business support measures to drive employment growth, particularly in areas of higher unemployment.

Interventions: Supporting Local Business

Do you plan to use any interventions not included on this list?

Yes

Interventions: Supporting Local Business

State the name of each of these additional interventions and give a brief description of each of these

State the name of each of these additional interventions and give a brief description of each of these:

Two additional interventions are proposed as follows:

SUPPORT INWARD INVESTMENT (NATIONAL, INTERNATIONAL AND FOREIGN DIRECT INVESTMENT)

Support through contact with businesses looking to move or relocate to Nottingham. Either from Foreign Direct Investment (FDI) or national UK businesses expanding into Nottingham. Support may involve advice, information to support their relocation and small grant funding to facilitate their move. It is a service that is part funded today via ERDF that is important to keep as it will continue to help grow the local economy.

SECTOR SUPPORT

Support for the high growth, high productivity sectors that will help transform the local economy. Likely to include sector support for life sciences, creative and digital, and other high value, high growth sectors, the comprehensive list of which is still to be confirmed.

Support will include business support, training, grants and advice, as well as access to specific sector-based support relevant to each industry, for example, medical for life sciences, digital connectivity for creative and digital, etc.

Explain how each of these interventions meets the investment priority. Give evidence where possible, for example a theory of change and a logic chain

Explain how each of these interventions meets the investment priority. Give evidence where possible, for example a theory of change and a logic chain:

SUPPORT INWARD INVESTMENT (NATIONAL, INTERNATIONAL AND FOREIGN DIRECT INVESTMENT)

Supporting inward investment is a Council priority and is a proven route to increasing economic prosperity. Inward investment increases productivity by introducing new and innovative companies to an area, and drives immediate economic benefit by providing new high value jobs, and increasing the overall business base for the City.

This in turn leads to a number of benefits including high business rates, occupancy in offices and industrial units and associated buildings, increasing exports and jobs growth.

The Council's strategy to date has been to outsource this via an arm's length investment promotion agency, which in the past year has delivered 16 new companies, generating 1600 new jobs for the City/region, demonstrating excellent value for money, delivering outcomes critical for Nottingham.

SECTOR SUPPORT

Nottingham's economic strategy is to help support higher value sectors as a way to rebalance the predominantly low skilled, low wage economy.

Nottingham has some emerging sectors that if supported can deliver significant economic benefits to the City, increasing productivity and jobs (e.g. life sciences, creative and digital, low carbon, and high value manufacturing).

There are a number of local business support networks that have been key to helping increase specific sector growth, including Medilink, supporting the life sciences sector, and the Creative Quarter supporting the creative and digital sector.

Life sciences is a recognised cluster in Nottingham with strengths in clinical trials, drug development and medical technology. Creative and digital has been one of the fastest growing sectors in Nottingham and is also a recognised cluster.

Specialised support to these high value sectors provides excellent value for money due to the high returns.

The outcomes are likely to be jobs, productivity improvements, exporting businesses, businesses supported and increased innovation.

Do you consider any of these interventions may provide a subsidy to potential recipients of the funding under the intervention's planned activity?

Yes

Detail the assessment you undertook to consider whether these interventions are a subsidy and any specific measures you will take to make sure the subsidy is permitted.

Detail the assessment you undertook to consider whether these intervention are a subsidy and any specific measures you will take to make sure the subsidy is permitted.:

The assessment undertook for each proposed planned activity/project:

- It was compared to the four key characteristics of a subsidy.
- If it was assessed as a subsidy, it was reviewed against the seven subsidy principles.

Where it was deemed a subsidy, the mitigating actions are also described.

FOUR KEY CHARACTERISTICS

1. Is the support provided by a 'public authority' and does the support constitute a financial (or in kind) contribution such as a grant, loan or guarantee?

Yes. The support does come from a public authority (Nottingham City Council) and will be delivered directly through the Council or by subcontractors through a grant.

The sub-contractors will give businesses:

- Free business support.
- Financial grants where the company will make a contribution to costs.

Whilst there is the potential for a subsidy to the subcontractors this will be mitigated as the funding will flow through them with costs covering administration.

The companies receiving support will get a subsidy but this will be mitigated by using the Minimal Financial Assistance element in the Subsidy Act.

2. Does the support measure confer an economic advantage on one or more economic actors?

Yes. Subcontractors will be the winner(s) of open calls won by a/some economic actors who will be chosen over others, thus conferring an economic advantage. The final recipients in the companies will have an economic advantage over other economic actors not supported through the programmes.

3. Is the support measure specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services?

Yes. As a result of the open calls and the business support programme, economic actors will benefit in relation to the production of good or services over others.

4. Does the support measure have the potential to cause a distortion in or harm to competition, trade or investment?

Yes. As this gives funding to economic actors it has the potential to cause a distortion in or harm to competition. As the amounts are small such a distortion would be minimal.

SEVEN SUBSIDY PRINCIPLES

1. Subsidies should pursue a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social difficulties or distributional concerns ("the objective").

The specific policy objective to meet market failure is Levelling Up. Nottingham is a city in need of Levelling Up, with wide spread deprivation, typified by low productivity, employment rates, and pay with high retail vacancy rates, and urban blight. The market is not addressing these needs, and will not without intervention. A subsidy is needed to meet these needs.

2. Subsidies should be proportionate and limited to what is necessary to achieve the objective.

Any subsidies will be limited to that necessary to achieve the objective. They will be at market rate as solutions will be procured through open competition. Grants will be at a low level. Face to face and group business support will not include specialist advice that would normally be paid for (e.g. legal assessment of a company's proposals).

3. Subsidies should be designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided.

Any subsidy given will be to an economic actor who will change what they do (expansion or reallocation) to ensure that the objective is achieved. Without the funding this will not take place.

The sub-contractors will change in that they will deliver new or more programmes than they do at present.

The aim of the support to final beneficiaries is to change their economic behaviour and make the businesses more productive and competitive, thus increasing the prosperity of Nottingham.

4. Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy.

The activities supported by the subsidy are additional to the deliverer's activity and would not be delivered without a subsidy.

The final beneficiaries would not normally seek support in this way for their business, it being too expensive. The grants give the business the incentive to invest, making such a cost effective proposition for them.

5. Subsidies should be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means.

The subsidies will be for:

- Development and promotion of the visitor economy.
- Investment in research and development at the local level.
- R&D grants supporting innovative product and service development.
- $\hbox{\bf \cdot} \ {\sf Strengthening\ local\ entrepreneurial\ ecosystems.}$
- Bid for and host international business events and conferences.
- Growing the local social economy.

- Develop angel investor networks.
- Business support measures to drive employment growth.
- Support inward investment both national and FDI.
- Sector support (bespoke intervention).

The actions will be:

- Direct delivery by Nottingham City Council where they have this specialism.
- Delivery by procured contractors.
- The final delivery is small group and one to one support alongside a grant programme to organisations. This will give a direct benefit to those organisations. Amounts will be small and well under the Minimal Financial Assistance level in the subsidy regulations.

The funding will give an opportunity to deliver more support in different ways than planned and bringing forward changes for the final beneficiaries.

Other options considered were:

- I. Do nothing/business as usual. This would not achieve the policy objective and may be counterproductive in that some potential recipients of the subsidy may suffer decline whilst waiting for any change.
- II. Take out a loan. This is impractical as the interventions will give no direct return on investment that could be used to repay the loan.
- III. Increase the number of volunteers working in this area. This would be an effective way to work (except for the infrastructure projects where professionals are needed). However, volunteers need recruiting and managing and Nottingham City Council does not have the facility to do so at the moment.

All will be delivered either by in-house teams at Nottingham City Council or through procured deliverers. All procurements will be carried out through open calls or through call off from frameworks which in themselves were achieved through open calls.

6. Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition or investment within the United Kingdom.

All activities will be delivered either by in-house teams at Nottingham City Council or through procured deliverers. The in-house work will be for where Nottingham City Council has the skills and expertise to deliver such work.

All procurements will be carried out through open calls or through call off from frameworks which in themselves were achieved through open calls.

The largest impact on competition will be direct grants given to companies being given support.

7. Subsidies' positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties.

The subsidy will be managed through open calls and use of existing frameworks. As such there will be no negative effects on trade or investment.

MITIGATION

Mitigation will be through:

- · Use of open calls and frameworks. This will allow funding to flow through sub-contractors to final beneficiaries, thus not acting as a subsidy.
- · Use of minimal financial assistance regulations. All support for the final beneficiaries will be time limited and grants will be small.
- Should there be an instance where a business is above the minimal financial assistance then the subsidy will be registered through the transparency portal, allowing for any challenge.

Interventions: Supporting Local Business

Have you already identified any projects which fall under the Supporting Local Business investment priority?

Yes

Interventions: Supporting Local Business

Describe these projects, including their proposed locations and how they fall under this investment priority.

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The key project already identified is for a wraparound business support programme, which is designed to follow on from the Growth Hub, which has been active in Nottingham for over 7 years.

Currently delivered across the D2N2 LEP area, this wide ranging business support project delivers workshops, advice, sign posting and grant funding to grow productivity.

It is ERDF/EU funded and UKSPF is key to sustaining the vital business support activities for all businesses.

The Growth Hub today is a partnership across a range of districts, boroughs, and city and county councils across D2N2 and it is hoped this partnership

across the region can be maintained as a cost effective way of delivering locally.

The intention is to have the Nottingham element delivered by Nottingham City Council staff, often at company premises, with joined up delivery across the region if other districts and councils use part of their UKSPF allocation to support Growth Hub activities.

The second project is for inward investment support. A key strategy of the City has been to support landing inward investment into Nottingham, working in conjunction with LEP partners and delivering across the City and Nottinghamshire.

This project will help market Nottingham for both UK and foreign investors (FDI) coming to the City, and will work with the Department of International Trade to link international investors.

Associated with this activity will be support for delivering conferences and events, attracting business visitors to Nottingham who have the potential to move and establish operations locally.

The current model is delivery by the local investment promotion agency, Invest in Nottingham, which is based in the City, but working across Nottingham and Nottinghamshire. The future model is yet to be confirmed.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

Yes

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

Detail the assessment you undertook to consider whether the proposed project constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.:

The assessment undertook for each proposed planned activity/project:

- It was compared to the four key characteristics of a subsidy.
- If it was assessed as a subsidy, it was reviewed against the seven subsidy principles.

Where it was deemed a subsidy, the mitigating actions are also described.

FOUR KEY CHARACTERISTICS

1. Is the support provided by a 'public authority' and does the support constitute a financial (or in kind) contribution such as a grant, loan or guarantee?

Yes. The support does come from a public authority (Nottingham City Council) and will be delivered directly through the council or by subcontractors through a grant.

The sub-contractors will give businesses:

- Free business support to grow a business or establish a new one in the City.
- Financial grants where the company will make a contribution to costs.

Whilst there is the potential for a subsidy to the subcontractors this will be mitigated as the funding will flow through them with costs covering administration.

The companies receiving support will get a subsidy but this will be mitigated by using the Minimal Financial Assistance element in the Subsidy Act.

2. Does the support measure confer an economic advantage on one or more economic actors?

Yes. Subcontractors will be the winner(s) of open calls won by a/some economic actors who will be chosen over others, thus conferring an economic advantage. The final recipients in the companies will have an economic advantage over other economic actors not supported through the programmes.

3. Is the support measure specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services?

Yes. As a result of the open calls and the business support programme economic actors will benefit in relation to the production of good or services over others.

4. Does the support measure have the potential to cause a distortion in or harm to competition, trade or investment?

Yes. As this gives funding to economic actors it has the potential to cause a distortion in or harm to competition. As the amounts are small such a distortion would be minimal.

SEVEN SUBSIDY PRINCIPLES

1. Subsidies should pursue a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social

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The specific policy objective to meet market failure is Levelling Up. Nottingham is a city in need of Levelling Up, with wide spread deprivation, typified by low productivity, employment rates, and pay with high retail vacancy rates, and urban blight. The market is not addressing these needs, and will not without intervention. A subsidy is needed to meet these needs.

2. Subsidies should be proportionate and limited to what is necessary to achieve the objective.

Any subsidies will be limited to that necessary to achieve the objective. They will be at market rate as solutions will be procured through open competition. Grants will be at a low level. Face to face and group business support will not include specialist advice that would normally be paid for (e.g. legal assessment of a company's proposals).

3. Subsidies should be designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided.

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The aim of the support to final beneficiaries is to change their economic behaviour and make the businesses more productive and competitive, thus increasing the prosperity of Nottingham.

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The subsidies will be for:

- \bullet Development and promotion of the visitor economy.
- Investment in research and development at the local level.
- R&D grants supporting innovative product and service development.
- Strengthening local entrepreneurial ecosystems.
- Bid for and host international business events and conferences.
- Growing the local social economy.
- Develop angel investor networks.
- Business support measures to drive employment growth.
- Support inward investment both national and FDI.
- Sector support (bespoke intervention).

The actions will be:

- Direct delivery by Nottingham City Council where they have this specialism.
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- The final delivery is small group and one to one support alongside a grant programme to organisations. This will give a direct benefit to those organisations. Amounts will be small and well under the Minimal Financial Assistance level in the subsidy regulations.

The funding will give an opportunity to deliver more support in different ways than planned and bringing forward changes for the final beneficiaries.

Other options considered were:

- I. Do nothing/business as usual. This would not achieve the policy objective and may be counterproductive in that some potential recipients of the subsidy may suffer decline whilst waiting for any change.
- II. Take out a loan. This is impractical as the interventions will give no direct return on investment that could be used to repay the loan.
- III. Increase the number of volunteers working in this area. This would be an effective way to work (except for the infrastructure projects where professionals are needed). However volunteers need recruiting and managing and Nottingham City Council does not have the facility to do so at the moment.

All will be delivered either by in house teams at Nottingham City Council or through procured deliverers. All procurements will be carried out through open calls or through call off from frameworks which in themselves were achieved through open calls.

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7. Subsidies' positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties.

The subsidy will be managed through open calls and use of existing frameworks. As such there will be no negative effects on trade or investment.

MITIGATION

Mitigation will be through:

- · Use of open calls and frameworks. This will allow funding to flow through sub-contractors to final beneficiaries thus not acting as a subsidy.
- Use of minimal financial assistance regulations. All support for the final beneficiaries will be time limited and grants will be small.
- Should there be an instance where a business is above the minimal financial assistance then the subsidy will be registered through the transparency portal, allowing for any challenge.

Interventions: People and Skills

Does your investment plan meet the People and Skills investment priority?

Yes

Interventions: People and Skills

What are the outcomes you want to deliver under this investment priority? Select all that apply.

Number of economically inactive individuals in receipt of benefits they are entitled to following support, Number of active or sustained participants in community groups as a result of support, Number of people reporting increased employability through development of interpersonal skills funded by UKSPF, Number of people in supported employment, Number of people with basic skills (English, maths, digital and ESOL), Number of people engaging with mainstream healthcare services, Number of people in employment, including self-employment, following support, Number of people engaged in job-searching following support, Number of people sustaining employment for 6 months, Number of people in education/training, Number of people experiencing reduced structural barriers into employment and into skills provision, Number of people gaining a qualification or completing a course following support, Number of economically active individuals engaged in mainstream skills education and training, Number of people engaged in life skills support following interventions

Interventions: People and Skills

Select the interventions you intend to use which meet this priority. Select all that apply.

E33: Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills (digital, English, maths* and ESOL) support where there are local provision gaps. This provision can include project promoting the importance of work to help people to live healthier and more independent lives, alongside building future financial resilience and wellbeing. Beyond that, this intervention will also contribute to building community cohesion and facilitate greater shared civil pride, leading to better integration for those benefitting from ESOL support. Expected cohorts include, but are not limited to people aged over 50, people with a disability and health condition, women, people from an ethnic minority, young people not in education, employment or training and people with multiple complex needs (homeless, care leavers, ex/offenders, people with substance abuse problems and victims of domestic violence).*via Multiply., E34: Courses including basic skills (digital, English, maths (via Multiply) and ESOL), and life skills and career skills** provision for people who are unable to access training through the adult education budget or wrap around support detailed above. Supplemented by financial support for learners to enrol onto courses and complete qualifications. Beyond that, this intervention will also contribute to building community cohesion and facilitate greater shared civil pride, leading to better integration for those benefitting from ESOL support. **where not being met through Department for Work and Pensions provision., E38: Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that are not being met through other provision., E39: Gr

Interventions: People and Skills

Do you plan to use any interventions not included on this list?

Yes

Interventions: People and Skills

State the name of each of these additional interventions and give a brief description of each of these

State the name of each of these additional interventions and give a brief description of each of these:

One additional intervention is proposed as follows:

Employment Support For Unemployed People (Particularly Long Term Unemployed And Priority Groups)

Bespoke interventions which will be similar to that provided in intervention E33: Employment support for economically inactive people. The participants will receive individual support from an employment advisor to help them overcome their barriers to employment.

Explain how each of these interventions meet the investment priority. Give evidence where possible, for example a theory of change and a logic chain.

Explain how each of these interventions meet the investment priority. Give evidence where possible, for example a theory of change and a logic chain.:

The above intervention meets the investment priority, as it is an intervention aimed at progressing people into employment by supporting the development of employability and life skills.

Evidence demonstrates that this additional support intervention is particularly required in Nottingham in addition to the need to help reduce the number of economically inactive residents:

- In May 2022, the City was estimated to have an unemployment rate of 5.2% of the working age population, compared to 3.8% nationally.
- The local employment rate has historically lagged behind the national rate and continues to do so with employment rates in Nottingham standing at 71.7%, which is 3.4% below the national average of 75.1%.
- The employment rate gap widens further for some of the City's priority groups.
- In March 2022, the BAME employment rate in Nottingham was 7.42% lower than the national average, the disabled employment rate was 22.21% lower than the national average, and the employment rate for older workers was 3.18% lower than the national average.
- The employment rate gap between men and women in Nottingham stands at 2.6%.

The intervention represents value for money as the unit costs proposed are based on a current local ESF funded project, Way2Work, which successfully delivers similar support to the same priority groups.

The outcomes delivered will include people supported to engage in job-searching, gain employment, sustain employment, and enrol onto a course through providing financial support.

This intervention will also result in effective working between keyworkers and additional services.

Do you consider any of these interventions may provide a subsidy to potential recipients of the funding under the intervention's planned activity?

Yes

Detail the assessment you undertook to consider whether these interventions are a subsidy and any specific measures you will take to make sure the subsidy is permitted.

Detail the assessment you undertook to consider whether these intervention are a subsidy and any specific measures you will take to make sure the subsidy is permitted.:

The assessment undertook for each proposed planned activity/project:

- It was compared to the four key characteristics of a subsidy.
- If it was assessed as a subsidy, it was reviewed against the seven subsidy principles.

Where it was deemed a subsidy, the mitigating actions are also described.

FOUR KEY CHARACTERISTICS

1. Is the support provided by a 'public authority' and does the support constitute a financial (or in kind) contribution such as a grant, loan or guarantee?

Yes. The support does come from a public authority (Nottingham City Council) and will be delivered directly through the council or by subcontractors through a grant. The sub-contractors will give individual support. As individuals cannot receive a subsidy (they are not economic actors) the only consideration will be if the deliverers are in receipt of a subsidy.

Whilst there is the potential for a subsidy to the deliverers this will be mitigated as the funding will flow through them with costs covering administration.

2. Does the support measure confer an economic advantage on one or more economic actors?

Yes. Subcontractors will be the winner(s) of open calls won by a/some economic actors who will be chosen over others, thus conferring an economic advantage.

3. Is the support measure specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services?

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SEVEN SUBSIDY PRINCIPLES

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3. Subsidies should be designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided.

Any subsidy given will be to an economic actor who will change what they do (expansion or reallocation) to ensure that the objective is achieved. Without the funding this will not take place.

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5. Subsidies should be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means.

The support will be for:

• Employment support for unemployed people (particularly long term unemployed and priority groups).

As the final beneficiaries are not economic actors there will be no subsidy at that level.

Actions will be:

- \bullet Direct delivery by Nottingham City Council where they have this specialism.
- Delivery by procured contractors.

The funding will give an opportunity to deliver more support in different ways than planned and bringing forward changes for the final beneficiaries.

Other options considered were:

- I. Do nothing/business as usual. This would not achieve the policy objective and may be counterproductive in that some potential recipients of the subsidy may suffer decline whilst waiting for any change.
- II. Take out a loan. This is impractical as the interventions will give no direct return on investment that could be sued to repay the loan.
- III. Increase the number of volunteers working in this area. This would be an effective way to work. However volunteers need recruiting and managing and Nottingham City Council does not have the facility to do so at the moment.

All will be delivered either by in-house teams at Nottingham City Council or through procured deliverers. All procurements will be carried out through open calls or through call off from frameworks which in themselves were achieved through open calls.

6. Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition or investment within the United Kingdom.

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MITIGATION

Mitigation will be through:

- Use of open calls and frameworks. This will allow funding to flow through sub-contractors to final beneficiaries thus not acting as a subsidy.
- Use of minimal financial assistance regulations where needed. Should there be an instance where a business is above the minimal financial assistance level or above the registration level then the subsidy will be registered through the transparency portal, allowing for any challenge.

Interventions: People and Skills

Have you already identified any projects for 2024-2025 which fall under the People and Skills investment priority?

Yes

Interventions: People and Skills

Describe these projects for 2024-25, including their proposed locations and how they fall under this investment priority.

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Three potential projects are proposed.

COMMUNITY-BASED EMPLOYMENT SUPPORT

A community-based employment support project for unemployed and inactive Nottingham residents which includes access to courses linked to developing life, basic and employability skills. Participants will have a dedicated employment advisor to support with overcoming barriers to employment. The location will be in Nottingham City, the venues being dependent on which organisations are selected to deliver the support and courses.

REDUCING DIGITAL POVERTY

A reducing digital poverty project which provides IT equipment to enable people without access to technology to develop digital skills and access on line learning, apply for jobs and progress into sustainable employment.

SKILLS DEVELOPMENT

A skills development project which provides support and funding to help people (both in and out of employment) to access courses, including green skills courses, which will support progression into, or within, employment.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

Yes

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy/State Aid and any specific measures you will take to make sure the subsidy is permitted.:

The assessment undertook for each proposed planned activity/project:

- It was compared to the four key characteristics of a subsidy.
- If it was assessed as a subsidy, it was reviewed against the seven subsidy principles.

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The activities supported by the subsidy are additional to the deliverer's activity and would not be delivered without a subsidy.

5. Subsidies should be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means.

The support will be for:

- Employment support for economically inactive people.
- Courses including basic, life and career skills.
- Local areas to fund local skill needs.
- · Green skills courses.
- Funding to support local digital skills.
- Employment support for unemployed people (particularly long term unemployed and priority groups).

As the final beneficiaries are not economic actors there will be no subsidy at that level.

Actions will be:

- Direct delivery by Nottingham City Council where they have this specialism.
- Delivery by procured contractors.

The funding will give an opportunity to deliver more support in different ways than planned and bringing forward changes for the final beneficiaries.

Other options considered were:

I. Do nothing/business as usual. This would not achieve the policy objective and may be counterproductive in that some potential recipients of the

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7. Subsidies' positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties.

The subsidy will be managed through open calls and use of existing frameworks. As such there will be no negative effects on trade or investment.

MITIGATION

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Interventions: People and Skills

Have you identified a local voluntary and community provision at risk as part of this intervention?

Yes

Interventions: People and Skills

Describe the local voluntary and community provision at risk and your rationale for supporting it.

Describe the local voluntary provision at risk and your rationale for supporting it. :

Provision at risk relates to ESF funded employment support delivered by community and voluntary sector organisations across the City, including in the most deprived wards such as St Ann's and Bulwell.

Residents benefiting from this provision include those with multiple and complex barriers to employment and are supported to develop their employability skills to progress into job search and employment.

Community and voluntary sector organisations are best placed to deliver UKSPF funded employment support to priority groups from 2024-25 onwards, however, with the ESF project funding coming to end in 2023-24, there is a significant risk that community and voluntary sector organisations' would not be able to maintain:

- The employment of their experienced and qualified staff.
- The Community venues where this support is delivered.

If UKSPF People and Skills funding was not available to support delivery in 2023-24 (once the ESF projects end) there is a significant risk that the community and voluntary sector organisations (including the venues and their experienced staff), who are best placed to deliver the People and Skills interventions' outputs and outcomes, would not be able to be sustained until April 2024.

Without the availability of UKSPF funds in 23-24, the capacity to delivery high quality People and Skills support in the final year of UKSPF will be significantly impacted.

Provide the European Social Fund Project Name(s) and Project Reference(s) for this voluntary and community provision at risk

Provide the European Social Fund Project Name(s) and Project Reference(s) for this voluntary and community provision at risk:

Opportunity and Change – A pathway to work (Ref no. 0010285838) Money Sorted in D2N2 (Ref no. 0010285798) Towards Work (Ref no. 0010285845) Nottingham Works 4You (Ref no. 08S20P04417) Back2Work Project (Ref no. 08S21P04479)
Pathways to Health and Social Care Project (Ref no. 08S20P04067)

Interventions: People and Skills

When do you intend to fund these projects? Select all that apply.

2023-2024, 2024-2025

Interventions: People and Skills

Describe these projects for 2022-2023 and 2023-2024, including their proposed locations and how they fall under this investment priority.

Describe these projects for 2022-2023 and 2023-2024, including their proposed locations and how they fall under this investment priority.:

As previously referred to under the identified projects section, for 2023-24, the intention is to continue to provide community-based employment support for unemployed and inactive Nottingham residents.

Participants will have a dedicated employment advisor to support with overcoming barriers to employment.

The location will be in Nottingham City, the venues being dependent on which organisations are selected to deliver the support and courses.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

Yes

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.:

The assessment undertook for each proposed planned activity/project:

- It was compared to the four key characteristics of a subsidy.
- If it was assessed as a subsidy, it was reviewed against the seven subsidy principles.

Where it was deemed a subsidy, the mitigating actions are also described.

FOUR KEY CHARACTERISTICS

1. Is the support provided by a 'public authority' and does the support constitute a financial (or in kind) contribution such as a grant, loan or guarantee?

Yes. The support does come from a public authority (Nottingham City Council) and will be delivered directly through the council or by subcontractors through a grant. The sub-contractors will give individual support. As individuals cannot receive a subsidy (they are not economic actors) the only consideration will be if the deliverers are in receipt of a subsidy.

Whilst there is the potential for a subsidy to the deliverers this will be mitigated as the funding will flow through them with costs covering administration.

2. Does the support measure confer an economic advantage on one or more economic actors?

Yes. Subcontractors will be the winner(s) of open calls won by a/some economic actors who will be chosen over others, thus conferring an economic advantage. There is the intention to continue the projects but not necessarily with the current deliverers, going to the market to get best value for money.

3. Is the support measure specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services?

Yes. As a result of the open calls and the business support programme economic actors will benefit in relation to the production of good or services over others.

4. Does the support measure have the potential to cause a distortion in or harm to competition, trade or investment?

Yes. As this gives funding to economic actors it has the potential to cause a distortion in or harm to competition. As the amounts are small such a distortion would be minimal.

SEVEN SUBSIDY PRINCIPLES

1. Subsidies should pursue a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social difficulties or distributional concerns ("the objective").

The specific policy objective to meet market failure is Levelling Up. Nottingham is a city in need of Levelling Up, with wide spread deprivation, typified by low productivity, employment rates, and pay with high retail vacancy rates, and urban blight. The market is not addressing these needs, and will not without intervention. A subsidy is needed to meet these needs.

2. Subsidies should be proportionate and limited to what is necessary to achieve the objective.

Any subsidies will be limited to that necessary to achieve the objective. They will be at market rate as solutions will be procured through open competition.

3. Subsidies should be designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided.

Any subsidy given will be to an economic actor who will change what they do (expansion or reallocation) to ensure that the objective is achieved. Without the funding this will not take place.

The sub-contractors will change in that they will deliver new or more programmes that they do at present.

4. Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy.

The activities supported by the subsidy are additional to the deliverer's activity and would not be delivered without a subsidy.

5. Subsidies should be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means.

The support will be for:

- Employment support for economically inactive people.
- · Courses including basic, life and career skills.
- · Local areas to fund local skill needs.
- Employment support for unemployed people (particularly long term unemployed and priority groups).

As the final beneficiaries are not economic actors there will be no subsidy at that level.

Actions will be:

- Direct delivery by Nottingham City Council where they have this specialism.
- Delivery by procured contractors.

The funding will give an opportunity to deliver more support in different ways than planned and bringing forward changes for the final beneficiaries.

Other options considered were:

- I. Do nothing/business as usual. This would not achieve the policy objective and may be counterproductive in that some potential recipients of the subsidy may suffer decline whilst waiting for any change.
- II. Take out a loan. This is impractical as the interventions will give no direct return on investment that could be sued to repay the loan.
- III. Increase the number of volunteers working in this area. This would be an effective way to work. However volunteers need recruiting and managing and Nottingham City Council does not have the facility to do so at the moment.

All will be delivered either by in-house teams at Nottingham City Council or through procured deliverers. All procurements will be carried out through open calls or through call off from frameworks which in themselves were achieved through open calls.

6. Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition or investment within the United Kingdom.

All activities will be delivered either by in-house teams at Nottingham City Council or through procured deliverers. The in-house work will be for where Nottingham City Council has the skills and expertise to deliver such work.

All procurements will be carried out through open calls or through call off from frameworks which in themselves were achieved through open calls.

7. Subsidies' positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties.

The subsidy will be managed through open calls and use of existing frameworks. As such there will be no negative effects on trade or investment.

MITIGATION

Mitigation will be through:

- Use of open calls and frameworks. This will allow funding to flow through sub-contractors to final beneficiaries thus not acting as a subsidy.
- · Use of minimal financial assistance regulations where needed. Should there be an instance where a business is above the minimal financial assistance

level or above the registration level then the subsidy will be registered through the transparency portal, allowing for any challenge.

Approach to delivery and governance

Stakeholder engagement and support

Have you engaged with any of the following as part of your investment plan? Select all that apply.

Public sector organisations, Private sector organisations, Civil society organisations

If so, describe how you have engaged with these organisations. Give examples where possible.

If so, describe how you have engaged with these organisations. Give examples where possible.:

In preparation for submitting Nottingham's UK Shared Prosperity Fund (UKSPF) Investment, the Council established the Nottingham UKSPF Stakeholder Advisory Group (SAG).

The UKSPF SAG was a subgroup to the Nottingham Growth Board and included representation from MPs, community and faith organisations, education and skills providers, civil society organisations, employer bodies, LEPs, etc.

The role of the SAG has been to support development of the evidence base, identify gaps in provision, and develop UKSPF funding priorities.

In addition to the SAG, the Council has undertaken a series of webinars with wider community partners and stakeholders.

Other key local groups have been consulted on the development of the investment plan including One Nottingham (the Cities leading partnership board), Nottingham Growth Board and the Youth Cabinet.

Stakeholder engagement and support

Summarise the governance structures you have in place, including how any advisory panels or associated partnership groups are made up.

Summarise the governance structures you have in place, including how any advisory panels or associated partnership groups are made up.:

In addition to the Council's internal governance and assurance frameworks, the Council has convened a 'sub-group' of the Nottingham Growth Board that will function as Nottingham's UKSPF Stakeholder Advisory Group (SAG).

It is likely that the advisory group will function as the local governance body, functioning similar to the ESIF subcommittee, providing strategic oversight on UKSPF.

This group has representation for all three investment priorities (e.g. East Midlands Chamber of Commerce, the two local universities, Nottingham College, training providers, community support organisations, D2N2 LEP, business support organisations, charities, and council representatives from various departments).

To ensure no conflict of interests with programme delivery this group will focus on strategic issues and general engagement of potential project providers.

The Council currently has an internal ESIF performance management group which meetings quarterly. This is made up of senior managers and project managers from the Economic Development department. This group will transition to incorporate UKSPF delivery and involve the programme management team to provide scrutiny, oversight, and risk management.

There will also be a UKSPF Programme Steering Group whose prime function will be to review projects' performance against all UKSPF requirements, particularly in relation to budget and output delivery. Responsibilities will include:

- Ensuring all projects' activities are complementary.
- Ensuring that the project is meeting its cross cutting theme requirements such as equality and diversity.
- Sharing best practice.
- · Improving common areas of weakness.
- Reviewing risks.

There will be a programme management team for operational governance of UKSPF in Nottingham with responsibility for administering the funds, financial management, monitoring projects, submitting reports and claims to DHLUC, and undertaking the evaluation.

The key roles will be:

- UKSPF Programme Manager has overall responsibility for successful delivery of UKSPF.
- UKSPF Compliance and Monitoring Officer ensures projects are delivered compliantly, secure required evidence and returns are submitted to DLUHC.
- UKSPF Finance Officer provides financial oversight, supporting wider commitments to the Council's financial procedures.
- UKSPF Officer supports with grant and procurement processes and leads on partnership management with organisations in receipt of UKSPF funds across all three investment priorities.

• UKSPF Administration Officer -- provides administrative support to the programme.

Have all the MPs covering your lead authority been invited to join the local partnership group?

Yes

Stakeholder engagement and support

Are there MPs who are not supportive of your investment plan?

No

Project selection

Are you intending to select projects in any way other than by competition for funding?

Yes

Project selection

Describe your approach to selecting projects, and why you intend to do it this way

Describe your approach to selecting projects, and why you intend to do it this way. :

The majority of the funds allocated, and projects selected will be via the support intervention of an open call grant to public or private organisations.

However, there are proposals to potentially select some of the projects in the following ways:

PROCUREMENT OF SERVICE PROVISION

Communities and Place – There are some proposed projects for specific types of products and services that a procurement process is better suited for. These are street works (e.g. dropped curbs), marketing services (e.g. print, social media campaigns), events (festivals, arts events, etc.). The procurement process allows for the required and detailed project specifications to be incorporated and also provides better value as the commissioning route.

People and Skills – Specifically in relation to capital spend, IT equipment will need to be procured to support the proposed delivery of the Reducing Digital Poverty project.

IN-HOUSE PROVISION

Communities and Place, Supporting Local Business - Where Nottingham City Council already has expertise and resources in place, the most cost effective and appropriate route is local direct delivery. This includes broad scale wraparound business support (e.g. Growth Hub services) where this is currently provided by Nottingham City Council employed staff, working on a regional D2N2 LEP wide Growth Hub. The local staff ensure close coordination with Council services and a better understanding of local businesses. It also includes event management, public realm, parks and leisure, high street management and grants to businesses' management.

People and Skills – Again where Nottingham City Council already has expertise and resources in place, the most cost effective, and appropriate, route is local direct delivery. This is the case with the coordination and direct delivery of some People and Skills projects. Nottingham City Council has a successful track record in supporting economically inactive residents, through Priority Families, Troubled Families and ESF funded projects. It is proposed to use a proportion of UKSPF funding for this in-house provision in order to extend this delivery.

Similarly, a small proportion of the funds will be used by the Council to work alongside selected project providers to minimise duplication of activities, competition and to ensure strategic and operational alignment of provision in the City.

Linked to the in-house delivery there is likely to be some capital spend required to refurbish venues which are to be used to deliver People and Skills projects. These venues will be made available to all commissioned delivery provision to allow additional Community access to the projects.

Working with other places: Communities and Place

Do you intend to work with other places on any of the interventions which fall under the Communities and Place investment priority?

No

Working with other places: Supporting Local Business

Do you intend to work with other places on any of the interventions which fall under the Supporting Local Business investment priority?

Yes

Working with other places: Supporting Local Business

Which interventions do you intend to collaborate on? Select all that apply.

E17: Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally. , E25: Grants to help places bid for and host international business events and conferences that support wider local growth sectors. , E27: Funding to develop angel investor networks nationwide. , E30: Business support measures to drive employment growth, particularly in areas of higher unemployment.

Describe any interventions not included in this list.

Describe any interventions not included in this list.:

It is the two interventions as detailed in the previous additional interventions section i.e.

SUPPORTING INWARD INVESTMENT (NATIONAL, INTERNATIONAL AND FOREIGN DIRECT INVESTMENT)

Encouraging companies to locate or relocate in Nottingham through marketing and direct business support.

SECTOR SUPPORT

Providing specialist support to high value, growth sectors which have potential and predominance in Nottingham but also spread to surrounding places or are complementary to other sectors in those places.

Which places do you intend to collaborate with?

Which places do you intend to collaborate with?:

All cities, districts and boroughs across Derbyshire and Nottinghamshire.

Working with other places: People and Skills

Do you intend to work with other places on any of the interventions which fall under the People and Skills investment priority?

Yes

Working with other places: People and Skills

Which interventions do you intend to collaborate on? Select all that apply.

E33: Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills (digital, English, maths* and ESOL) support where there are local provision gaps. This provision can include project promoting the importance of work to help people to live healthier and more independent lives, alongside building future financial resilience and wellbeing. Beyond that, this intervention will also contribute to building community cohesion and facilitate greater shared civil pride, leading to better integration for those benefitting from ESOL support. Expected cohorts include, but are not limited to people aged over 50, people with a disability and health condition, women, people from an ethnic minority, young people not in education, employment or training and people with multiple complex needs (homeless, care leavers, ex/offenders, people with substance abuse problems and victims of domestic violence).*via Multiply., E34: Courses including basic skills (digital, English, maths (via Multiply) and ESOL), and life skills and career skills** provision for people who are unable to access training through the adult education budget or wrap around support detailed above. Supplemented by financial support for learners to enrol onto courses and complete qualifications. Beyond that, this intervention will also contribute to building community cohesion and facilitate greater shared civil pride, leading to better integration for those benefitting from ESOL support. **where not being met through Department for Work and Pensions provision., E38: Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that are not being met through other provision., E39: Gr

Describe any interventions not included in this list.

Describe any interventions not included in this list.:

Employment Support For Unemployed People (Particularly Long Term Unemployed And Priority Groups)

Which places do you intend to collaborate with?

Which places do you intend to collaborate with?:

Nottingham City Council intends to explore opportunities to collaborate with its neighbouring District Councils, Gedling, Rushcliffe and Broxtowe, in particular, to identify common interventions and opportunities for joint commissioning / working / management and monitoring arrangements in order to provide economies of scale and to maximise value for money for the councils and the organisations delivering the UKSPF funded provision.

Public sector equality duty

How have you considered your public sector equality duty in the design of your investment plan?

How have you considered your public sector equality duty in the design of your investment plan?:

The evidence base for the strategic focus of UKSPF takes into account the Council's commitment to the Equality Act of 2010 and, under Public Sector Equality Duty, enabling the advancement of equalities.

As such, the interventions chosen in the Investment Plan under the three themes have prioritised where most benefit will goes to those citizens most at disadvantage within the City.

This is reflected in the target outcomes and outputs.

How will you consider your public sector equality duty when implementing your investment plan, including in the selection of projects?

How will you consider your public sector equality duty when implementing your investment plan, including in the selection of projects?:

All types of support interventions proposed will be underpinned by an Equalities Impact Assessment and adherence to Public Sector Equality Duty.

For example, open competitions and procurements will include a Public Sector Equality Duty statement explaining the Council's duties under the Equality Act of 2010. Invitations to bid or tender will highlight, where relevant, the Council's recommendation that projects support people from Nottingham's most disproportionately affected communities in line with the Public Sector Equality Duty of enabling the advancement of equalities.

The senior leadership approval process for running UKSPF and administering the funds includes an evaluation of the equalities impact which has to be signed off.

Any proposed/potential in-house delivery will be by staff who have signed up to the Council's equality and diversity policies.

Risks

Have you identified any key risks that could affect delivery, for example lack of staff or expertise?

Yes

Risks

Describe these risks or issues, including the contingency measures you have in place to mitigate them

Describe these risks or issues, including the contingency measures you have in place to mitigate them:

Commissioning Process Not Quick Enough To Ensure Projects Can Start Meaningful Delivery In 2022/2023

• Contingency measures – The Council's legal and procurement departments have already been briefed so that they are ready to support the process as soon as approval is received for the Investment Plan. The Council is proposing to use experienced staff who worked on the commissioning process for UKCRF to ensure that best practice and lessons learnt are implemented under UKSPF.

Loss Of Experienced ESIF Staff As ERDF And ESF Projects Draw To An End

• Contingency measures – Staff are being kept fully informed of the developments, and potential opportunities available, under UKSPF. There will be active managerial and peer support to encourage staff to stay.

Underspend Leading To Loss Of Local Funding

• Contingency measures – The Council will ensure that experienced staff are running the UKSPF programme, overseen by an advisory board who regularly monitors programme performance and has early detection, and resolution, of any delivery concerns. Some flexibility has been built into the programme's contents and structure to allow learning to inform the best delivery models.

Projects Underperform Leading To Financial Clawback

• Contingency measures – There will be pre-project awareness raising of UKSPF expectations as part of overall commissioning process. Detailed monitoring of project performance and early intervention will be an intrinsic part of the programme, as well as performance plans implemented with delivery providers, if required.

Risks

Have you identified any key fraud risks that could affect UKSPF delivery?

Risks

Describe these risks or issues, including the contingency measures you have in place to mitigate them.

Describe these risks or issues, including the contingency measures you have in place to mitigate them.:

Potential Conflicts Of Interest Between SAG Advisory Panel And Potential Project Deliverers

• Contingency measures – The Council will broadcast and implement a clear Conflicts of Interest policy which ensures that the strategic direction of UKSPF and the calls issued aren't unfairly influenced by interested parties.

Insufficient Legal And Financial Understanding Of Potential Project Deliverers

• Contingency measures - In all forms of commissioning there will be a pre-screening/gateway assessment of applicants which uses such tools as Spotlight to check for fraudulent activities, previous grant award activity and verification of identity including the legal status via either Companies House or the Charities Commission. Such information will then be used to provide risk ratings of potential project deliverers.

Project Deliverers Use Grant Funds Inappropriately

• Contingency measures – Project deliverers will be tied into contractual commitments via a grant agreement or contract which will include a clear assignment of funds to specific activities at the start of a project. The UKSPF Programme Manager will collate and undertake compliance checks on all claims and reports before they are signed off for payment. The compliance checks will form part of the projects' budget management ensuring that project deliverers are delivering to target and within budget lines, and to minimise any risk of fraud. This will also include regular checks of any proposed procurements.

Capacity and capability

Team resource

How many people (FTE) will be put in place to work with UKSPF funding?

How many people (FTE) will be put in place to work with UKSPF funding?: 2022-23 – 1.55 FTE, 2023-24 – 2.5 FTE, 2024-25 – 4.2 FTE

Describe what role these people will have, including any seniority and experience.

Describe what role these people will have, including any seniority and experience.:

The Council's Economic Development department has successfully managed and delivered over £100m of provision in the last decade.

The Programme Manager will lead Accountable Body functions and overall programme management. The Manager has extensive experience in managing similar externally funded projects, including monitoring, and reporting of progress, performance and expenditure. The Manager has over 10 years' experience of managing economic programmes at the Council.

Dedicated officers will provide support for the key functions of commissioning, finance, and stakeholder and partnership management. All have extensive experience in managing the specified functions for similar successfully delivered projects under ESIF, EU and national funding.

A Compliance Officer will provide support for UKSPF processes and administration. They have several years' experience of supporting processes and administration of similar externally funded projects.

Team experience and capability

How would you describe your team's current experience of delivering funding and managing growth funds?

Very experienced

How would you describe your team's current capability to manage funding for procurement?

Strong capability

How would you describe your team's current capacity to manage funding for procurement?

Strong capacity

How would you describe your team's current capability to manage funding for subsidies?

Strong capability

How would you describe your team's current capacity to manage funding for subsidies?

Strong capacity

Capacity and capability: Communities and Place

Does your lead authority have any previous experience of delivering the Communities and Place interventions you have selected?

Yes

How would you describe your team's current capability to manage funding for Communities and Place interventions?

Strong capability

Describe the key capability challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your lead authority or your local/regional delivery system.

Describe the key capability challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your local authority or your local/regional delivery system.:

As a unitary authority, Nottingham City Council has extensive experience in the delivery of place based activity, such as public realm, which is reflected in the indicated strong capability of the proposed delivery team. The Council has also worked with many community providers who are envisaged as potential partners and delivery agents for the community based element of this project.

However, it is worth noting the broader challenges which could impact on the capability to deliver the UKSPF programme. These are:

- Inflation especially for certain items which will need to be procured.
- · Labour supply to deliver activity.
- Any subsequent requirement for match funding given the Council's current finance restrictions.
- The cash flow and financial viability of smaller project providers.
- The resources and time for proper engagement with local communities to ensure co-created and not imposed solutions

Describe what further support would help address these challenges.

Describe what further support would help address these challenges.:

Primarily for these broader challenges the following further support would help:

- Allowance for inflation in outer years.
- Upfront payments to better manage small company and supplier cash flow.
- Flexibility on recruitment, e.g. not fixed to certain posts and roles, to be better able to manage internal limitations of staff due to internal staff shortages or with suppliers/delivery partners.
- Simplified reporting and control.
- More limited branding requirements (e.g. no need for logos on items on roofs which are not seen, or social media which has limited visibility (e.g. logos on twitter)).

Capacity and capability: Communities and Place

How would you describe your team's current capacity to manage funding for Communities and Place interventions?

Some capacity

Describe the key capacity challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your lead authority or your local/regional delivery system.

Describe the key capacity challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your local authority or your local/regional delivery system.:

As a functioning Economic Development team within the Council, the proposed team currently successfully manages a wide variety of projects and there is good understanding of the resource implications. However, staffing levels are tight both in Economic Development and key service areas such as Legal and Finance. This could put some constraints on some aspects of delivery, for example, support for the open call and procurement processes.

In a wider context, it is also envisaged that some of the community projects will be delivered by in-community and ward based operators, who can sometimes be small scale and local to their community, with limited resources for reporting and monitoring.

Describe what further support would help address these challenges.

Describe what further support would help address these challenges.:

For these challenges the following further support would help:

• Flexibility and more limited reporting and monitoring.

- Flexibility for the spend by year i.e. being able to allocate underspend into later years.
- Easy mechanisms for adjustments to the investment plan, without complex project change request procedures.
- · Limited easy to apply branding guidelines.

Capacity and capability: Supporting Local Business

Does your lead authority have any previous experience of delivering the Supporting Local Business interventions you have selected?

Yes

How would you describe your team's current capability to manage funding for Supporting Local Business interventions?

Strong capability

Describe the key capability challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your lead authority or your local/regional delivery system.

Describe the key capability challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your local authority or your local/regional delivery system.:

Nottingham City Council is the accountable body for a number of current ERDF and other EU business support programmes and is a delivery partner on the central Growth Hub project. Therefore, it has excellent capability and experience.

The Council also has a commissioning role in delivering key inward investment, visitor economy and sector support, so it is well linked to the organisations likely to deliver those outcomes and outputs.

However, more limited funding post ESIF, and work across districts and boroughs, are likely capability constraints, as many of these projects are currently delivered regionally.

It is hoped that this will continue with UKSPF funding but if other places decide not to allocate funding to the same interventions and projects, there will be a capability (and capacity) risk that funding will not be sufficient to maintain current efficient delivery.

Describe what further support would help address these challenges.

Describe what further support would help address these challenges.:

For these challenges the following further support would help:

- More encouragement for local areas to work together.
- Upfront funding to help providers and suppliers.
- Flexibility on re-allocations within the investment plan based on local need.

Capacity and capability: Supporting Local Business

How would you describe your team's current capacity to manage funding for Supporting Local Business interventions?

Some capacity

Describe the key capacity challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your lead authority or your local/regional delivery system.

Describe the key capacity challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your local authority or your local/regional delivery system.:

As previously mentioned, as a functioning Economic Development team within the Council, the proposed team currently successfully managing a wide variety of projects and there is good understanding of the resource implications. However, staffing levels are tight both in Economic Development and key service areas such as Legal and Finance. This could put some constraints on some aspects of delivery, for example, support for the open call and procurement processes, as well as financial administration.

Also, many of the current business support projects are delivered on a regional D2N2 LEP wide basis. There is a risk that insufficient support from all currently involved places may lead to reduced funding and reduced efficiency of delivery across the region.

Key support delivery is people based, and salary cost of living increases are not included at current wage inflation rates.

Describe what further support would help address these challenges.

Describe what further support would help address these challenges.:

For these challenges the following further support would help:

- · Allowance for inflation within funding.
- · Greater incentive for districts, boroughs and cities to work together to generate efficiencies on regionally delivered projects.
- Upfront funding to help cash flow in organisations.
- · Light touch monitoring and reporting, and simplified branding requirements.

Capacity and capability: People and Skills

Does your lead authority have any previous experience of delivering the People and Skills interventions you have selected?

Yes

How would you describe your team's current capability to manage funding for People and Skills interventions?

Strong capability

Describe the key capability challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your lead authority or your local/regional delivery system.

Describe the key capability challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your local authority or your local/regional delivery system.:

Nottingham City Council is the accountable body for a number of current ESF and other EU employment and skills support programmes. Therefore, it has excellent capability and experience.

Describe what further support would help address these challenges.

Describe what further support would help address these challenges.:

n/a

Capacity and capability: People and Skills

How would you describe your team's current capacity to manage funding for People and Skills interventions?

Strong capacity

Describe the key capacity challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your lead authority or your local/regional delivery system.

Describe the key capacity challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your local authority or your local/regional delivery system.:

The team that manages the current ESF funded provision is larger than the team that will be required to manage the UKSPF People and Skills provision, therefore, there will be no capacity issues.

The team is experienced in delivering the functions and processes associated with being the Accountable Body for external funding, including monitoring and improving performance, and reporting on expenditure. However, as previously mentioned, staffing levels are tight in key Council service areas such as Legal and Finance. This could put some constraints on some aspects of delivery, for example, support for the open call and procurement processes, as well as financial administration.

In a wider context, it is also envisaged that some of the community projects will be delivered by in-community and ward based operators, who can sometimes be small scale and local to their community, with limited resources for reporting and monitoring.

Describe what further support would help address these challenges.

Describe what further support would help address these challenges.:

For these challenges the following further support would help:

- Flexibility and more limited reporting and monitoring.
- Flexibility for the spend by year i.e. being able to allocate underspend into later years.
- Easy mechanisms for adjustments to the investment plan, without complex project change request procedures.
- Limited easy to apply branding guidelines.

Support to deliver UKSPF

All lead authorities can use up to 4% of their UKSPF allocation to support the delivery of their chosen interventions, but by exception, lead authorities will be able to use more than 4%. Are you planning on using more than 4%?

If so, explain why you wish to use more than 4%.	
If so, explain why you wish to use more than 4%.:	
n/a	
Approvals	
Do you have approval from your Chief Executive Officer for this investment plan?	
Yes	
Do you have approval from your Section 151 Officer for this investment plan?	
Yes	
Do you have approval from the leader of your lead authority for this investment plan?	
Yes	
If you do not have approval from any of these people, explain why this is	
If you do not have approval from any of these people, explain why this is: :	
n/a	
Additional documents	
Have you completed and uploaded the two spreadsheets to the SharePoint folder as requested	ł?
Yes	
Edit your answers	
Next steps	