

UK Shared Prosperity Fund

Invitation to Submit Project Bids

People and Skills

Call Ref. TVCA UKSPFPS003



**LEVELLING
— UP —**

March 2023

Introduction

This Call focuses on the UKSPF Investment Priorities within Tees Valley Combined Authority's UKSPF programme of **People and Skills**. Tees Valley Combined Authority is seeking proposals to deliver activity as part of the UK Shared Prosperity Fund (UKSPF) as follows:

Investment Priority	People and Skills, E33: Employment support for economically inactive people
Title	Tees Valley Workforce Participation Programme
Total Value	£4.8m (between 2 Lots)
Area of delivery	Tees Valley
Delivery timeframe	UKSPF Financial Year 2 (2023-24) and Year 3 (2024-25)

TEES VALLEY COMBINED AUTHORITY

Tees Valley Combined Authority (TVCA) was created in April 2016, with the purpose of driving economic growth and job creation in the area. TVCA is a partnership of five authorities; Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland, and Stockton-on-Tees, working closely with the Local Enterprise Partnership, wider business community and other partners to make local decisions to support the growth of our economy.

Under the devolution deal with Government, TVCA have taken on responsibilities previously held by Westminster and Whitehall, for transport, infrastructure, skills, business investment, culture and tourism. Ben Houchen is the elected Mayor of Tees Valley and chairs the Combined Authority.

UK SHARED PROSPERITY FUND

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK Government's Levelling Up agenda and a significant component of its support for places across the UK. It provides £2.6bn for local investment by March 2025 delivered by 3 priority areas:

- Communities & Place
- People & Skills
- Supporting Local Business

The Government appointed Tees Valley Combined Authority (TVCA) as the Lead Authority for UKSPF in Tees Valley. Tees Valley has taken a strategic approach to prioritisation, set out in our [UKSPF Investment Plan for 2022-2025](#). The plan will see targeted funding to address areas of need and fill gaps in current activity.

UKSPF forms part of a suite of complementary levelling up funding. It must complement and not duplicate other resources including but not limited to: Adult Education Budget, European Structural Investment Funds (remaining delivery), Levelling Up Fund, Town Deals, Future High Street Fund, Department for Work and Pensions Provision.

Tees Valley has been allocated **£46.3m** of UKSPF for 2022-2025, **£4.8m** has been made available for this Call for delivery in 2023-2025.

PEOPLE AND SKILLS

We are seeking bids to deliver a programme of activity across 2 Lots for **People and Skills intervention 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 life and basic skills (digital, English, maths and ESOL).**

To maximise and align with current programmes, life and basic skills should be delivered by existing programmes, such as Multiply.

The programme is for a duration of 2 years and will begin delivery in 2023/24. There will be a review point after Year 1 to confirm Year 2 delivery.

ECONOMICALLY INACTIVE DEFINITION

Economic inactivity is defined by the Department for Levelling-up, Housing and Communities (DLUHC) as ‘people who are not in work and not actively seeking work and/or are not available to start work in the next two weeks.’

Economically inactive individuals are those not in work and not actively seeking work (unlike unemployed individuals who are actively seeking work). Not all economically inactive individuals claim benefits. For those that do, this would include those claiming either “legacy” benefits or those within specific conditionality regimes in Universal Credit: The former includes Employment Support Allowance (ESA), Incapacity Benefit (IB) and Income Support (IS). The latter includes claimants within the Preparation Requirement or Work Focused Interview Requirement conditionality regimes.

Economic inactivity Includes students, carers, long and short-term sick and being retired.

ECONOMIC INACTIVITY WITHIN TEES VALLEY - EVIDENCE BASE

Tees Valley has a higher-than-average number of residents who are unemployed and economically inactive, closely correlated with relatively low levels of health and well-being and high unemployment rates when compared to other areas.

The latest figures for Tees Valley show 26.6% (108,200) of the working age population (16-64) being economically inactive as of September 2022. This is 4.8 percentage points above the UK level of 21.8% (9,022,100) for the same period.

For those that are inactive due to temporary sick, Tees Valley has a rate of 2.9% (3,100). This is 0.7 percentage points above the UK rate of 2.2%. The Tees Valley rate has risen by 0.2 percentage points between the year ending September 2021 and year ending September 2022, compared to an increase of 0.1 percentage points in the UK rate.

As for those that are inactive due to long-term sick, Tees Valley has a rate of 33.7% (36,500). This is 7.9 percentage points above the UK rate of 25.8%. The Tees Valley rate has risen by 4.1 percentage points between the year ending September 2021 and year ending September 2022, compared to an increase of 1.3 percentage points in the UK rate.

The 50-64 age group has the highest rates of economic inactivity, however, economic inactivity in age groups 16-24 and 25-49 remain significantly higher than the national average, with 41.4% (28,900) of 16–24-year-olds being economically inactive and 16.4% (32,200).

There is a higher proportion of females in the working age population that are economically inactive compared to males in the Tees Valley. Additionally, the rate of females has risen at a higher rate over the latest year of data compared to male inactivity. Furthermore, the disparity between Tees Valley rates and national rates is slightly greater for females than males.

In addition, there are economically inactive residents who, for several reasons, are not engaged with the system and therefore not claiming any benefits. Identifying and engaging this unknown cohort within our local communities is critical if we are to ensure that the programme is really reaching the intended participants.

Despite Tees Valley having higher rates of economic inactivity compared to national, of the 108,200 individuals that are economically inactive in Tees Valley for the year ending September 2022, 27.8% want a job compared to a UK rate of 18.6%, this provides us with a local opportunity under People and Skills E33: Employment support for economically inactive people.

STRATEGIC ALIGNMENT

In 2019 the Tees Valley Combined Authority Cabinet agreed the [Investment Plan for 2019-2029](#), which set out the focus for investments to create new jobs, grow the skills base and improve our infrastructure. To ensure a fully integrated approach, UKSPF priority setting has taken place in the context of this longer-term Investment Plan. Additionally, the TVCA [Strategic Economic Plan](#) details the area's ambition to drive the transition to a high-value, low-carbon, diversified and inclusive economy and sets out the ambition to unlock a net additional 25,000 jobs by 2026.

The Tees Valley strategic approach to Education, Employment and Skills is outlined in the [Tees Valley Employment & Skills Strategy 2022 and beyond](#), which was launched in July 2022. The overarching strategic approach for the lifetime of this strategy is to connect, simplify and promote the multiple national and local employment, training, skills, and economic growth initiatives so they are greater than the sum of their parts and reach more businesses and residents, which strategically aligns with the overall aim of the UKSPF investment plan.

The strategy is underpinned by three pillars of support, Preparation, Intervention and Retention. The Intervention pillar closely correlates with the objectives of the programmes of activity set out within the 2 Lots for UKSPF E33. The aim of the Intervention pillar is to support those seeking work (our potential future workforce). Enhancing the employability of those who are close to employment and **addressing the constraints faced by those more distant from the labour market** as well as ensuring that the training and support system meets the needs of local businesses.

CALL PRIORITIES

The 4 key objectives of this Call are:

- Identify and engage with economically inactive individuals who meet the criteria as defined below in Lot 1 and Lot 2.
- Apply a person-centred approach to delivery that includes understanding and addressing barriers people face that might prevent them from being economically active using a 'key worker' model.
- Implement an action focused approach to identify and enable the achievement of personal goals to move individuals towards the labour market, including self-employment.
- Provide continued support to those who move into work to support with job retention and progression.

Activity should address barriers including but not limited to:

- Health conditions (short and long term), mental health, caring responsibilities, real or perceived benefit conditionality, confidence and motivation, transport, knowledge of labour market.

In addition, programmes of activity will be expected to:

- Support participants to move them closer to the labour market without providing direct skills activity.
- Work collaboratively with appropriate services and partners to maximise the use of wider programmes, including health and skills provision.
- Record, monitor and report participant progress.
- Collate data to understand the target cohort and the reasons for economic inactivity.
- Test what works in supporting the target cohort which will provide intelligence to inform future policy development.
- Demonstrate an equal and inclusive approach to engagement.

The above will be delivered via 2 Lots as described in the tables below.

LOT 1	
Aim	To deliver a programme of activity that supports cohorts of economically inactive participants (benefit claimants and non-benefit claimants).
Delivery	We are seeking to contract with at least 1 organisation to deliver projects of activity to identify, engage and work with participants who are eligible under this Lot. The organisation(s) must have existing direct access to the target cohort(s) as part of their primary function. The successful projects will be expected to support to the target group for Lot 1 to move towards the labour market.
Target cohort	This Lot will be expected to target people who are voluntary/involuntary economically inactive due to the following reasons:

	<ul style="list-style-type: none"> • Temporary sick (less than 12 months) • Retirement • Looking after family/home 	
Additional eligibility	<p>Economically inactive Tees Valley residents providing they:</p> <ul style="list-style-type: none"> • Are aged 16 or over • A resident of Tees Valley • Have the 'right to work' in the UK • Fit the definition of a person who is economically inactive as defined by DLUHC and stated in page 2 of this document <p>There is no length of qualifying time for an individual to be eligible within this Lot.</p> <p>Target cohort(s) described in Lot 2 are not eligible for Lot 1.</p>	
Expected outcomes	To deliver the key objectives of the programme, refer appropriately to other organisations, services and programmes of support including the organisation(s) delivering Lot 2 of this programme, where appropriate.	
Funding Profile	Total £2.75m (2023-24 £1m, 2024-25 £1.75m - subject to March 2024 review)	
Additional Funding Information	To test successful methods of supporting economically inactive people into work several contracts may be awarded. All successful projects will be awarded within the total funding envelope of £2.75m with a minimum contract award of £500,000.	
Lot 1 total Output profile	Number of economically inactive people engaging with keyworker support services	1548
	Number of economically inactive people supported to engage with the benefits system	33
	Number of people supported to access basic skills	157
	Number of people supported to engage in job-searching	1548
	Number of people receiving support to gain employment	1548
	Number of people receiving support to sustain employment	340
Lot 1 total Outcome profile	Number of economically inactive individuals in receipt of benefits they are entitled to following support	33
	Number of active or sustained participants in community groups as a result of support	38
	Number of people reporting increased employability through development of interpersonal skills funded by UKSPF	594
	Number of people engaged in job-searching following support	297
	Number of people in employment, including self-employment, following support	340
	Number of people sustaining employment for 6 months	121

LOT 2		
Aim	To deliver a programme of activity that supports cohorts of economically inactive participants (benefit claimants and non-benefit claimants).	
Delivery	We are seeking to contract with one lead organisation for the full value of this Lot. The successful lead organisation is expected to lead a consortium of delivery partners to deliver a programme of activity to locate, engage and work with participants who are eligible under this Lot.	
Target cohort	This Lot will be expected to target people who are voluntary/involuntary economically inactive due to the following reasons: <ul style="list-style-type: none"> • Long Term Sick (more than 12 months) • Those who are completely disengaged from the benefit and support system 	
Additional eligibility	Economically inactive Tees Valley residents providing they are: <ul style="list-style-type: none"> • Aged 16 or over • Resident of Tees Valley • Have the 'right to work' in the UK • Fit the definition of a person who is economically inactive as defined by DLUHC and stated in page 2 of this document <p>There is no length of qualifying time for the target group who are completely disengaged from the benefit and support system within this Lot.</p> <p>Target cohort(s) described in Lot 1 are not eligible for Lot 2.</p>	
Expected outcomes	To deliver the key objectives of the programme, work with a wide range of partners and refer appropriately to other organisations, services and programmes of support including Lot 1 of this programme.	
Funding Profile	Total £2.05m (2023/24 £0.8m, 2024/25 £1.25m – subject to March 2024 review)	
Lot 2 total Output profile	Number of economically inactive people engaging with keyworker support services	683
	Number of economically inactive people supported to engage with the benefits system	78
	Number of people supported to access basic skills	66
	Number of people supported to engage in job-searching	683
	Number of people receiving support to gain employment	683
	Number of people receiving support to sustain employment	62
Lot 2 total Outcome profile	Number of economically inactive individuals in receipt of benefits they are entitled to following support	78
	Number of active or sustained participants in community groups as a result of support	54

	Number of people reporting increased employability through development of interpersonal skills funded by UKSPF	254
	Number of people engaged in job-searching following support	127
	Number of people in employment, including self-employment, following support	62
	Number of people sustaining employment for 6 months	12

WHAT TYPE OF BIDS ARE WE LOOKING FOR?

Projects must be revenue based and must deliver activity that is in line with the Tees Valley UKSPF Investment Plan and align with the **People and Skills Intervention E33: Employment support for economically inactive people.**

It should be noted that UKSPF is a competitive process therefore applicants should carefully consider costings during the development of their project.

If an organisation wishes to apply to be the lead organisation for both Lot 1 and Lot 2, they must complete and submit separate applications for each Lot.

Applicants for Lot 1 and Lot 2 **MUST** evidence a previous track record of direct delivery with economically inactive people in Tees Valley and describe their current engagement with this group.

Applicants for Lot 1 and Lot 2 **MUST** describe how they will engage the target cohort specific to the Lot they are applying for and align proposed delivery with existing national, regional and local services/programmes, ensuring value for money and avoiding duplication of activity.

Applicants for Lot 2 **MUST** evidence previous track record of leading a consortium or partnership in a similar capacity to the Lot they are applying for.

Applicants for Lot 2 – the Lead Organisation **MUST** be clearly identified on the application. The applicant **MUST** name any consortium members/ partners in the application. Information must also be provided of the expected wider delivery organisations that will support this project, including an evidenced track record of previous engagement. Where named in the bid consortium members/partners **MUST** provide a letter of support to be submitted by the lead organisation along with the application.

It is anticipated within each Lot various levels of intervention will be required for individuals depending on circumstances and factors such as length of time economically inactive. In addition, there are varying levels of economic activity within the 5 Local Authority areas of Tees Valley. As such, we would expect to see activity included within the bid that recognises this and targets support appropriately. TVCA reserve the right to select bids to ensure Tees Valley coverage.

INDICATIVE TIMELINE

Call Opens	Friday 17 th March 2023
Information sessions – it is expected that applicants attend one information session in person.	Session 1: Friday 24 th March 2023 13:00-14:30 Session 2: Wednesday 12 th April 2023 10:30-12:00
Deadline for clarification requests	19 th April 2023
Call closes	Friday 28 th April 2023 (5pm)
TVCA Assessment of bids	May 2023
Recommendations to Local Partnership Group	May/June 2023
TVCA funding decision (in accordance with TVCA Assurance Framework)	May/June 2023
Applicants notified of outcome	June 2023
Project Financial Completion	31 st March 2025

WHO CAN APPLY?

Legally constituted organisations that can receive public funds can apply for UK Shared Prosperity Funds. Individuals cannot apply.

Project applicants could include, but are not limited to private, charitable, voluntary and community sector organisations/consortiums, universities, colleges, and local authorities.

Please read the UK Shared Prosperity Fund Prospectus and the additional guidance which can be found [here](#) prior to making an application. The Prospectus provides detailed information on the objectives of the Fund, the types of activity it intends to support and the management of the fund.

You should also review the information on the TVCA website including the [UKSPF evidence base](#) and Tees Valley UKSPF Investment Plan.

GEOGRAPHICAL COVERAGE

Programmes are required to cover all 5 Tees Valley Local Authority areas, which are:

- Darlington
- Hartlepool
- Middlesbrough
- Redcar and Cleveland
- Stockton-on-Tees

PAYMENT TERMS

TVCA's standard payment terms are quarterly in arrears following submission of a grant claim, however, individual terms can be discussed with successful applicants in exceptional circumstances during the contracting stage.

All projects must be financially complete by 31st March 2025

Match funding is not applicable to this Call.

HOW BIDS WILL BE ASSESSED

As the Lead Authority TVCA will manage the funds and assess all bids in accordance with the [Assurance Framework](#). Bids will be assessed against:

- Gateway criteria e.g., eligibility of applicant to apply, eligibility of activity – bids that fail to meet these criteria are ineligible for support and will be rejected.
- Extent to which they meet the objectives of UK Shared Prosperity Fund and the relevant investment priority.
- Extent to which bids would support the delivery of local priorities identified in the Tees Valley UKSPF Investment Plan.

Scoring Criteria can be accessed [here](#).

TVCA will enter into a formal funding agreement with successful bidders.

TVCA SEPARATION OF DUTIES POLICY

The UK Shared Prosperity Fund is a competitive process. Where TVCA staff provide support during the development of a proposal there will be a formal Separation of Duties policy in place and those staff members will have no involvement in the assessment process. Staff who are part of the assessment process will not enter into discussions with bidders.

SUBMITTING A BID

Bids must be submitted using the TVCA UKSPF Investment Proposal Form, which is available [here](#). Bids submitted in any other format will not be accepted. The assessment of bids will be based on information provided in the Investment Proposal Form only. Please do not attach appendices or include links to websites.

Bids must be submitted to TVCA using this email address: UKSPFsubmissions@teesvalley-ca.gov.uk

Bids must be submitted by **5pm on Friday 28th April 2023**

The UK Shared Prosperity Fund is a competitive process and TVCA officers involved with fund management and assessment will not enter into discussions with bidders. Clarification on points of detail can be provided. Information relating to any requests for clarification will be added to the TVCA website, so it is available to all potential bidders. Clarification requests should be sent to UKSPFenquiries@teesvalley-ca.gov.uk Do not use this email address for submissions.

DUE DILIGENCE

In order to ensure that projects can move forward quickly Lead Authorities must undertake due diligence on private sector, charitable and voluntary organisation applicants during the assessment of applications and be satisfied that the applicant is genuine and has the financial standing and sufficient capacity to deliver the proposed activity.

By submitting a bid, applicants are providing authorisation for TVCA to carry out this due diligence in the form of a credit check.

MONITORING AND EVALUATION

All proposals will be required to set out how and when monitoring and evaluation will be carried out and if successful, they will be required to develop a full Monitoring and Evaluation Plan.

Project performance will be monitored against agreed targets, milestones and financial profile.

SUPPORTING DOCUMENTS

[Tees Valley UKSPF Evidence Base](#)

[Tees Valley Strategic Economic Plan](#)

[Tees Valley Investment Plan 2019-2029](#)

[Tees Valley Education, Employment and Skills Strategy 2022 and Beyond](#)