

**Schedule 1 - Specification**  
**Dorset Business Support Service, funded by UK Shared Prosperity Fund**  
**Reference DN728813**

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Dorset Council

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# 1 Introduction

Dorset Council has been allocated £6 million UK Shared Prosperity Fund (UKSPF). An additional £2 million has been allocated to the Dorset Rural England Prosperity Fund, which will be delivered through UKSPF. Delivery of the UKSPF runs until March 2025. How this funding is to be allocated, including allocations against the various Investment Priorities and Interventions is detailed in the Dorset UKSPF Investment Plan.

This project will procure the non-financial business support component of the fund, Part of SPF interventions E18,20, 24, and 28, and complementary additional funding from REPF, and deliver proportionally against the relevant Outputs and Outcomes.

This specification outlines the requirements for delivery of a time-limited business support service and how it complements other SPF-funded actions and wider government and private sector financial and non-financial business support.

This will be achieved by providing business growth diagnostics, information, guidance, and advice.

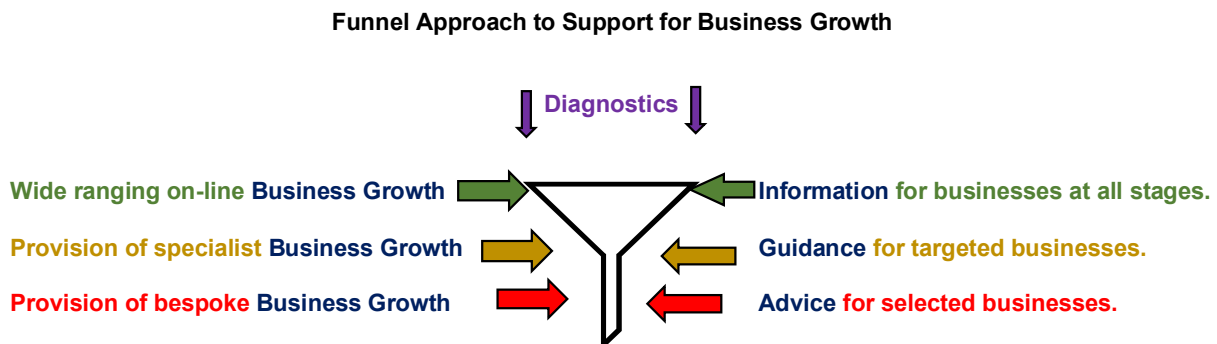
In addition, the Supplier will provide independent appraisal of SPF business grant applications.

## 2 Scope of the Requirement

Dorset UKSPF Local Business Support is designed to complement - not compete - with other business support offers including HM Government Growth Hub funded provision to provide a simple, accessible service with no charges for Dorset businesses using the service. The provider is expected to cooperate with other providers of services where relevant, for example signposting to relevant events or services likely to be of interest to the target market both individually and more generally.

### Support for Business Growth

Under the UK SPF funding is currently available up until 31 March 2025 for the provision of Business Growth support. In designing the commissioning of the Business Growth provision for the Dorset Council area, a funnel type approach is used:



**Diagnostics:** Anyone seeking business support or advice can complete an interactive diagnostics assessment of their business, covering sector, maturity, finance etc. This portal will act as a filter, which will channel the business enquirer to the correct, or most relevant, part of the on-line platform for them. While businesses will be encouraged to use the online portal, an option to contact an adviser directly will also be available.

**Business Growth Information:** The first stage of engagement will usually be via an on-line platform, providing broad and wide-ranging information to support businesses of all ages wanting to grow. The information provision applies to all stages of business development from start-up to exit planning. There will need to be a mechanism for recording interventions and business interactions with the platform, and the data needed to complete government SPF reporting requirements.

**Business Growth Guidance:** The on-line platform will assist to filter and target enquires to focus on those businesses with growth potential. These businesses are then able to access

additional Business Growth Guidance, through different types of delivery mechanisms. For example, Business Growth Guidance may be through specialist on-line and in-person workshops and networking sessions.

**Business Growth Advice:** The Business Growth Advice stage provides the most in-depth Business Growth support for businesses selected to have the highest growth potential. The Business Growth Advice stage provides bespoke advice for the businesses with the best growth opportunities for Dorset, and that can provide high skilled and well-paid jobs for local Dorset people. The Business Growth Advice support is to include in-person and 1-2-1 support. This type of support is at the tip of the funnel and is likely to be more costly to deliver.

## **Business Growth Grant Scheme**

### **Context**

Using funding from the UKSPF, Dorset Council provides a Business Growth Grant Scheme. This Scheme will be run by Dorset Council, with technical support and independent appraisal of applications being undertaken by the Contractor using DC-supplied scoring category guidelines. Following recommendations from the Contractor, the decisions on which businesses are allocated Business Growth Grants and the amount of those Business Growth Grants will rest with Dorset Council, as the provider of the Business Growth Grant Scheme.

# **3 Background**

The Local Business section of the Dorset Shared Prosperity Fund (SPF) Investment Plan identified that:

- Dorset has a significant productivity gap.
- Less than 1% of Dorset businesses are large firms, which tend to be more productive and invest more in R&D.
- Earnings are below average and house prices are high with affordability issues for many young people and keyworkers.
- Improving productivity, sustainability, and accessibility are the key opportunities in Dorset.

To meet these challenges and opportunities, Dorset needs provision of Information, Guidance and Advice for Business Growth.

### **Priorities for Business Growth Support**

With a limited resources available, Dorset needs to ensure that it gets the best economic, social, and environmental benefits from its allocation of UK SPF money. The Local Business section of the Dorset Investment Plan identified that improving productivity, sustainability, and accessibility are the key opportunities in Dorset, which can be improved by:

- I. building on our biggest strengths in high-value advanced manufacturing and engineering, particularly in the aerospace, defence, and marine sectors. These are the most significant sectors that employ significant numbers in well-paying jobs.
- II. increasing the productivity of our less productive sectors, such as tourism, through extending the season, investment in automation and digital capabilities and capacity.
- III. enabling small businesses to start, stay, and grow in Dorset through business support and investment, particularly in automation, digital and low carbon investments.

- IV. investing in Dorset's High Potential Growth opportunities in the agritech, aquaculture, and security industries. Some of these investment priorities complement People and Skills investment priorities.
- V. encouraging economically inactive working age people to either re-join the workforce or participate in the social economy.

Based on the above, the following priority sectors will be the target for specialist and bespoke Business Growth support:

- advanced manufacturing and engineering, including aerospace, defence, and marine
- agritech and aquaculture
- digital and cyber security
- environmental and low carbon

Bidders are strongly encouraged to familiarise themselves with the requirements of SPF delivery, available at [gov.uk](http://gov.uk).

Bidders are also encouraged to familiarise themselves with evidence around effective business advice: While robust evidence is limited, it is recommended that bidders consider the findings of the What Works Centre for Local Economic Growth Evidence Review of Business Advice [Evidence topic: Business advice - What Works Growth](#) .

## 4 The Requirements

### 4.1 Functional Requirements

This section provides descriptions of the essential functions of the Dorset UK Shared Prosperity Fund – Local Business Support Contractor, structured to reflect the stages of the customer journey.

The requirements are organised into the following tasks:

Stage 0: Awareness raising

Stage 1: Diagnostics

Stage 2: Business Growth Information

Stage 3: Business Growth Guidance

Stage 4: Business Growth Advice

Stage X: Business Growth Grant Application Evaluation and technical support

Stage 0: Awareness raising:

The Contractor will raise awareness of and publicise Dorset UK Shared Prosperity Fund Local Business Support both directly with businesses and with organisations likely to have contact with businesses who could benefit from the service - especially those who can attract high-quality applicants - such as accountants, solicitors, and business groups such as the Federation of Small Businesses, Dorset Engineering and Manufacturing Cluster etc. No SPF Outputs or Outcomes are associated with this stage but it is an essential precursor to assure the quantity and quality of SPF Outputs and Outcomes.

Stage 1: Diagnostics:

The Contractor will provide:

(a) at a minimum, an online interactive diagnostic assessment of clients' businesses, covering sector, maturity, finance etc. the result of this diagnosis will direct the client to the most

appropriate business support. In most cases this is likely to be a combination of information, guidance, and advice from Dorset UKSPF business support – as set out in stages 2,3 and 4 - and third-party support. The diagnostic tool can be a bespoke development, a white label product, an off-the-shelf-package, or any combination of the above provided it fulfils the need. (b) The Contractor may also provide diagnostics via other routes including in-person, phone, or video call. Evidence suggests that while option (a) alone is cheaper, the addition of option (b) is likely to promote trust and a better relationship and understanding between the business support organisation and the client. The aim of the diagnostic is to ensure SPF funding is allocated cost-effectively, providing higher levels of support to those businesses with most growth potential. No SPF Outputs or Outcomes are associated with this stage but it is a precursor to assure the quantity and quality of SPF Outputs and Outcomes.

#### Stage 2: Business Growth Information:

The Contractor will make available to clients broad and wide-ranging information to support businesses of all ages wanting to grow. The information provision will cover all stages of business development from start-up to exit planning. The information given by the client in stage 1 will help signpost the client to the most relevant information available in stage 2. It is expected that the information will be wholly or mainly online. The information provision can be a bespoke offer, a white label product, an off-the-shelf-package, or any combination of the above provided it fulfils the need.

#### Stage 3: Business Growth Guidance:

The Contractor will make available to clients Business Growth Guidance – more specific, interactive, and tailored than Information (stage 2) - through different types of delivery mechanisms. Relevant services may include but are not limited to on-line and in-person workshops and networking events. A minimum service of an average of at least 3 online and 2 in-person events is required. No SPF Outputs or Outcomes are associated with this stage but it is designed to ensure businesses are offered a level of support proportionate to the likely impact on Dorset's economy and that support is delivered cost-effectively.

#### Stage 4: Business Growth Advice:

The Contractor will make available to clients Business Growth Advice where stage 1 diagnostics indicate a business has the potential to offer realistic growth opportunities for Dorset and has the potential to provide high skilled and well-paid jobs for local Dorset people, particularly in key or growth sectors.

The Business Growth Advice stage provides the most in-depth Business Growth support for businesses selected to have the highest growth potential. Relevant services may include but are not limited to in-person and online 1-2-1 support. This type of support is at the tip of the funnel and is likely to be significantly more costly to deliver than wider interventions. Some may be provided by general business support professionals but the use of experts in, for example, finance, law, tax, marketing, operations, or production may add more value.

The Dorset UKSPF model has no charges for clients. If the Contractor offers chargeable business support and associated services such as accountancy, finance, legal or import/export services these must not be promoted to clients within the UKSPF offer and nothing that suggests or implies a connection between UKSPF-funded services and other services should be offered.

Note: Dorset UKSPF Business Support has a model based on not charging clients. However, if diagnostics or other Dorset UKSPF business support shows that the Contractor's non-UKSPF funded services are likely to be of benefit to a client, the Contractor *may* provide

UKSPF funded independent advice to the client, including a recommendation to get more than one quote from similar or competing services. The Contractor may also inform the client of their own offer on the condition it is made crystal clear to the client that (a) this is not part of the UKSPF funded service but a commercial offer from the Contractor, (b) the offer of any “free” work under UKSPF funded business support is not dependent on the client taking up any proposal for chargeable work: Having the chargeable work undertaken by the Contractor, a competitor, or not at all will make no difference to eligibility for any fully-funded work under Dorset UKSPF Business Support, and (c) if the client wishes to proceed with chargeable work undertaken by the Contractor then from this point onward the Contractor is not offering independent UKSPF-funded Support, but providing a service in competition with other providers. This provision is designed for the convenience of the Clients, not as an opportunity for the Contractor to upsell goods and services. This provision will be reviewed continuously and withdrawn if there is evidence of over-use, misuse, or bad faith on the part of the Contractor.

#### Stage X: Business Growth Grant Application Technical Assistance and Evaluation:

1. The Contractor will act as the initial point of contact for the grant programme.
2. The Contractor will advise businesses whether they meet the eligibility criteria in order to apply to the grant programme and issue application numbers to those assessed as eligible.
3. The Contractor will offer advice and guidance services to eligible businesses on how to apply for a business grant, outlining the application process and associated requirements.
4. The Contractor will provide technical assistance to eligible businesses to help them develop submissions for the grant programme, and business plans where/if applicable, including advising on eligibility and assessment criteria, evidence requirements, and appropriate subject matter for proposals.
5. The Contractor will assess and score completed grant applications and make recommendations whether to award a grant.
6. The Contractor will provide technical summary assessment documents on applications once submitted to the grant programme. These will include an overview of applications and associated supplementary materials, and an impartial appraisal of the extent to which applications satisfy both the eligibility and the assessment criteria, for the consideration of the grants programme assessment panel when determining outcomes. Dorset Council will supply the assessment criteria and the completed grant applications. For Contractors guidance, in previous similar grant schemes evaluation of a single application has typically taken contractors around 2 person-hours. Approximately two thirds of grant applications were approved in round. Prior stages of Contractor guidance and advice should ensure that most applications are of a good standard and neither Clients nor Contractors resources are wasted on completing full applications that stand little chance of success..
7. The Contractor will provide further commentary or clarification on the ‘technical summary assessment’ on an ad-hoc basis during the evaluation phase, as and if required by the grants programme assessment panel.
8. The decisions on which businesses are allocated Business Growth Grants and the amount of those Business Growth Grants will rest with Dorset Council, as the provider of the Business Growth Grant Scheme.

#### 4.2 Performance Requirements

Monitoring project operation and performance to ensure it is delivering the anticipated outcomes, benefits and value for money is reliant on receipt of regular operational data from the Contractor on all aspects of project administration and delivery.

The Contractor shall produce monthly reports detailing project and financial progress and attend meetings with the Project Team as required. In addition to a summary of key metrics, the reports must contain detail of individual beneficiary organisations.

The contractor shall comply with the various monitoring requirements of UKSPF.

The contractor shall supply Dorset Council with all data needed for compliance with UKSPF reporting requirements in a timely manner and suitable format.

The Contractor shall process and monitor data appropriately and produce a report upon completion of the project that is to include:

- Lessons learned: What went well, what didn't, what should be done differently next time,
- an analysis of the "funnel", from enquiries to advice
- Breakdown of outputs delivered,
- Other operational issues
- Customer satisfaction forms
- Data of all work completed in electronic format
- Spread sheet of beneficiary data for future work

**SPF Output and Outcome targets:**

Output	E18: Supporting Made Smarter Adoption	E20: R&D grants supporting innovative product & service development	E24: Training hubs, business support offers, incubators	E28: Export Grants to grow overseas trading etc.
Number of businesses receiving non-financial support	70	90	600	
Number of businesses receiving grants	35	45	120	15
Number of potential entrepreneurs provided assistance to be business ready			60	
Number of people attending training sessions	50			

Number of businesses engaged in new markets				15
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Outcome	E18: Supporting Made Smarter Adoption	E20: R&D grants supporting innovative product & service development	E24: Training hubs, business support offers, incubators	E28: Export Grants to grow overseas trading etc.
Number of new businesses created			60	
Increased amount of investment (£)	400000	600000	800000	
Number of businesses introducing new products to the firm	0	15	80	
Number of organisations engaged in new knowledge transfer activity	0	0	0	
Number of businesses adopting new to the firm technologies or processes	35	45	20	
Number of new to market products		2		
Number of R&D active businesses		45		
Number of businesses adopting new or improved products or services		45		
Number of early stage firms which increase their revenue following support			60	



Number of businesses increasing their export capability				15
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### 4.3 Implementation Requirements

The contractor of the current “meanwhile” phase of Dorset UKSPF Business Support will assist in good faith with the handover of the service to the tendered Contractor, while ensuring commercial confidentiality and data protection standards are upheld.

The Contractor will provide support and engage in constructive co-operation with the Council and any new Contractor (if applicable) of any future similar service. Further details of an exit plan will be agreed between the parties no less than six weeks before contract completion.

The Contractor may subcontract the delivery of any parts of the project provided the subcontractor(s) meet(s) the same relevant eligibility and selection criteria as the Contractor, and sign(s) a declaration to that effect to the Council.

The Contractor will be responsible for all financial arrangements between subcontractors (if any).

The Contractor is to submit itemised invoices monthly.

Stages 0-4 are to be provided until 31<sup>st</sup> March 2025. Stage X is expected to conclude by 31<sup>st</sup> December 2024.

Dorset Council actively supports the Armed Forces Covenant, a promise from the nation that those who serve or have served in the armed forces and their families are treated fairly: If the Contractor considers a business is led by a member of the Armed Forces Community and could be disadvantaged by the application of the project eligibility criteria, the Contractor will consult with the Council to establish what course of action to take.

### 4.4 Desirable (optional) service requirements

N/A

## 5 Standards

**Events:** The Contractor will hold in-person events in locations across the Dorset Council area at times and locations likely to be convenient to potential clients, with access to both public transport and adequate parking available nearby.

**Guidance, Advice, and Grant application evaluation capability:** The Contractor will ensure staff allocated to these tasks have the appropriate knowledge, skills and experience to carry out these tasks competently. The contractor will ensure that where the giving of advice is regulated or restricted to those with specific qualifications, those giving the advice have the relevant qualifications.

**Data Protection:** The Contractor will draft and maintain necessary privacy notices for the scheme in line with SPF, project, and GDPR requirements.

**Accessibility:** The Contractor will establish and maintain the communication channels it considers appropriate, including as a minimum a website that meets current Web Content Accessibility Guidelines and a means of two-way communication, such as a phone line. The contractor will ensure access to digital and in-person resources is provided to people with temporary or permanent vision, hearing, speech, motor, or cognitive disabilities.

## 6 Constraints

The total budget for this work is up to £250,000 to include all fees, associated costs and expenses. All rates charged shall be fully inclusive of all expenses including but not limited to travelling/subsistence, expenses and disbursements. This excludes VAT.

The service is only available to businesses of the local authority area of Dorset. Other authorities, including Bournemouth, Christchurch, and Poole Council, may have similar SPF-funded provision, and the Contractor will signpost to these as appropriate.

All activity must comply with the regulations as laid out in the UKSPF prospectus available at [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/672222/UKSPF_prospectus.pdf).

The Contractor must comply with the UKSPF branding guidelines available at [UK Shared Prosperity Fund: branding and publicity \(6\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/672222/UKSPF_branding_and_publicity_6.pdf)