Our Ref: Contact: E-mail Date: AR/MG Alan Russell 2 February 2023



Finance and Public Administration Committee Clerks Room T3.60 The Scottish Parliament Edinburgh EH99 1SP

Via email - FPA.committee@parliament.scot

Dear Sirs

## **Response to Finance and Public Administration Committee:**

#### Levelling Up Funding:

• the approach taken in relation to identifying areas of greater need or priority in round two.

#### Response:

The approach to LUF2 was based on a consideration of the wider Renfrewshire geography, with a focus on the **town centre of Renfrew** (Renfrewshire North constituency) and plans to bring the vacant former police station back into use and enhance facilities at Renfrew Victory Baths, together providing: a Swim Centre, with better pool facilities, spa and wellness centre; a regional dance, gymnastics and fitness centre for all ages and groups; a library and learning centre, with digital facilities and new community space across the hub.

 how successful you have been in securing round two Levelling Up Funding and how the process for bidding for Levelling Up Funding in round two compares with round one (where relevant)

#### Response:

Unfortunately, the project was not successful. The process felt a little protracted in terms of feedback. There were significant delays and issues with uploading information to the UKG portal. The portal itself was cumbersome and required copying information from the completed business case into a 90+ page document. It is unclear why the business case itself could not have been submitted directly. It is also clear that areas that received round one funding, did not receive round 2 funding. The business case development process requires extremely detailed consideration and consultation.





The significant work in preparing such a business case is time consuming and costly in terms of production. Had we been clear that local authorities that received round one funding would not have secured round two funding, then we may have chosen not to submit and to have waited until round 3. This would have provided more time in preparation, possibly incurring less cost. The feedback on the business case during its preparation, felt quite pedestrian given the level of detail submitted for consideration.

The Council is awaiting more detailed feedback from UKG on our Round 2 application Round 1 and Round 2 were similar in our approach for each application with most of the above points applicable to our Round 1 experience.

• the extent to which any funding for successful bids in round one has been released, to what timescales (compared with any in your project bid) and how confident you remain that the project will be achieved within the agreed timescales

## Response:

Following discussion early in the process with LUF/Dft funding has now been released in the form of development funding to support the project costs up to FBC stage, recognising the significant investment required by local authorities to progress projects of this scale.

This has greatly assisted the cashflow of the project and emphasised the strong commitment of the UKG to the **AMIDS South** LUF project. AMIDS South was Renfrewshire bid under the "Transport" category for eligibility.

The project timescale is challenging and the project team are working to deliver the project in line with the funding requirements, however aspects outwith the control of the project team (e.g. compulsory purchase orders) introduce significant risks to programme. The project team closely monitor the programme.

• The process for evaluation, monitoring and subsequent reporting to the UK Government.

#### Response:

The LUF process has evolved since LUF commencement and Renfrewshire welcome the more streamlined/consistent reporting format and have embedded this into our monitoring and reporting process. The Renfrewshire Council project is complex in nature and the Business case monitoring is as a consequence in depth. Changing personnel within DfT has extended this process and the input required by RC officers and advisors.

• what you consider should happen after the 2024-25 deadline for the current Levelling Up Fund.

#### Response:

After the proposed 3 Rounds of LUF applications and awards there will need to be an approach that continues the ethos of "levelling up". The amount of capital funding available to local authorities (in Scotland) is significantly limited and for discretionary (regeneration) projects this is even more limited.





Central government funding to achieve these ambitions is essential. This becomes even more important given the present national economic context. Whereas in the past the private sector was often able to lead of such transformational projects and initiatives for local economic growth, circumstances are now such that a joint approach with the public sector is now necessary to ensure the investment is viable.

## UK Shared Prosperity Fund

• the approach of using lead local authorities to secure funding, the appropriateness of the three key investment priorities the UKSPF will support, and the timescale over which it currently operates (2022-2025).

## Response:

Renfrewshire Council appreciated the recognition that local authorities were identified as the lead agency within a local area to develop local approaches and partnerships for delivery. Partnership is key to our local approach and existing, well established and successful partnerships are already in place which meant that progress would be quick.

The three investment priorities were very appropriate to our local needs with the People and Skills and Local Business priorities allowing a degree of continuation of existing EU programmes that have been a mainstay of our local economic development approach for nearly 30 years. The new priority of Communities and Place offers the opportunity to better support the levelling up agenda in our most deprived communities and supports our placeshaping approach.

The three-year funding programme is ideal, although given the short timescales for the first year and the delays in approvals then this is shortened to around 2 years and 3 months. Nevertheless, any multiannual funding approval is welcomed and allows better planning and delivery of services.

• the process of agreeing and submitting your investment plan and the extent to which any funding has been released.

## Response:

Renfrewshire Council submitted as part of the **Glasgow City Region Investment Plan**. We had flexibility to identify and prepare for local delivery and to meet local priorities and needs while having the wider city region partnership to meet with, share ideas and develop some city region approaches. Eight individual plans were aggregated to form a city region plan with governance through existing city region structures and with Glasgow City Council holding the funding. Agreement has been reached on the distribution methods across the city region.

The plans were approved formally by UK Government at the start of December 2022 and funds were released on the 30th December.





• the appropriateness of and flexibility provided by the UKSPF Interventions, Objectives, Outcomes and Outputs relevant for Scotland.

# Response:

The UKSPF Interventions and Objectives were broad in approach and so allowed for a variety of responses to meet local needs. In People and Skills there was a direct reference to National Employability Policy (No-one Left Behind) which was appreciated. However, the outcomes and outputs were not as we would have expected and are very light touch in places with some interventions missing some key (anticipated) outputs. The light touch approach we hope will allow greater flexibility and perhaps less specific recording in places with more focus on the broader outcomes / outputs.

• the adequacy of the administrative expenditure provisions.

## Response:

The 4% management and administration fee is considerably lower than the actual costs required however is manageable with the support of existing staff, services and MIS systems.

## <u>Multiply</u>

• the approach to measuring progress through the Multiply success measures.

## Response:

The guidance on measuring progress is very light now and so we are using the English version as the Multiply programme has been delivered in England for several years. Additional guidance has been promised and the assurance that a "light touch" approach will be in place.

• the flexibility of the funding given it is to supplement existing adult numeracy provision.

## Response:

There is plenty of flexibility in the funding and interventions to deliver a very wide range of numeracy provision, both certificated and uncertificated, in our area. Our main concern is whether there will be demand for all the provision as numeracy skills has not been an area of need for us locally in recent years. As such it may take a couple of years to build up the level of demand. Nevertheless we have committed our first year budget to a range of activities and have 4 local community based organisations, the Councils Community Learning and Development Team and West College Scotland, ready to commence delivery in January 2023.

## **Community Renewal Fund**

• the outcomes from any pilots or programmes supported by Community Renewal Funding.





• the evaluation of any projects or programmes including any work with the What Works Centre for local economic growth.

## Response:

Renfrewshire did not receive any Community Renewal Funding as it was not a priority area.

Yours faithfully

Alan Russell Chief Executive



