

## **SLAED - Levelling Up Funding Feedback**

### **Levelling-up Fund**

- 1. The approach to identifying areas of priority places in round two (including the effectiveness of the updates and changes to priority places from Round one) and the investment themes.**
  - The delay in announcing successful bids in Round Three has hindered pre-development of projects and ultimately a site start.
  - Funds should be allocated based on need, like the UKSPF approach, rather than through a competitive bidding process. This would increase efficiency and targeting of limited resources.
  
- 2. The process for bidding for round two funding and awarding successful bids.**
  - Timescales were too short for preparing bids, which were a huge undertaking, and the UK Government's decision-making process did not mirror the same tight timescales. The long decision-making process gave less time for successful projects to be delivered. This should be reviewed for future rounds with an extended time for project completion beyond the end of March 2025.
  - Uncertainties around timescales and eligibility criteria in Rounds One and Two had a negative impact on developing projects. The competitive bid process is inefficient as local authorities spend considerable sums working up the detail to support bids of up to £20m, with only a fraction of those submitted ultimately successful.
  - Late notification that authorities who were successful in Round One would not be included in the decision-making process for Round Two further compounded the waste of resources. Overall, only one in five bids have been successful in Scotland.
  - Rounds One and Two had short timescales for preparing complex capital project bids resulting in bids for projects that could be delivered within the tight timeframe being prioritised rather than projects that would have greatest levelling up/ economic development benefit.
  
- 3. The progress in reasons funding for successful bids in rounds one and two have been released, and the extent to which the successful projects will be delivered within the agreed funding and timescales.**
  - Timescales for delivery of large, complex, capital projects post award remain unnecessarily challenging and have a negative impact on the ability for local authorities to use resources to greatest strategic benefit.
  - Consideration should be given to multi-year funding and timescales that allow for development, appraisal, and delivery to improve the impact of the investment. Alternatively, all the individual UKG funding programmes could be consolidated into a single, longer-term fund that would allow for more impactful investment.

## UK Shared Prosperity Fund

### **1. The process for agreeing and submitting investment plans.**

- It was beneficial for local authorities to receive extensions to undertake appropriate governance processes prior to submitting Investment Plans.
- Submission via a regional approach enhanced strategic co-ordination while also allowing each council autonomy and local decision making to target need and priorities. The overall flexibility of the fund is welcome in terms of selecting local priorities for funding and the ability to make minor changes.
- Timescales for submitting and agreeing investment plans ran through the first year of the proposed delivery, resulting in spend difficulties for local authorities.
- The 4% allocation for administrative expense is currently adequate. However, if the compliance and reporting increased there may be a requirement for this to be reconsidered.

### **2. The extent to which the funding allocated will deliver the outcomes identified by local authorities within the agreed timeframe.**

- Currently project deliverers indicate that the outcomes will be achieved in the timescales.
- Attention needs to be given to the future of UKSPF after March 2025. Now that projects have been established, any interruption or uncertainty of funding would have significant impacts on local authority budget planning and the ability to support some of the most disadvantaged in local communities. The earlier a decision is made for funding post March 2025; the more productive delivery will be.

### **3. The appropriateness of and flexibility provided by the UKSPF Interventions, Objectives, Outcomes and Outputs relevant for Scotland.**

- At present all are appropriate to Scotland (key input from SLAED to assist with 'scotifying' the UKSPF Guidance). However, if there has been no requirement to change the outcomes or outputs that were originally agreed, it is unclear whether there is adequate flexibility.

### **4. The adequacy of the administrative expenditure provisions.**

- This is based on officer time and, although the costs of those working directly on the fund will be covered, other costs such as legal, finance etc. will not be covered and therefore this will not be a true reflection of the actual cost to administer the fund.

## Other Funding (e.g. Multiply, the Community Ownership Fund, and the multi-sport grassroots facilities programme)

- The focus solely on adult numeracy is too narrow. With some flexibility around the year one Multiply funding, further courses are being offered to adults, such as ESOL, life skills and confident about communications. This level of flexibility would be welcome

for the 2023/24 and 2024/25 to allow for progression and to widen the skills base, with associated qualifications, for all eligible participants.

- Multiply in Scotland should be focused on those post-school, rather than aged 19+. In Scotland, young people can still leave school at 16, whereas in England it is 18, therefore causing a gap in potential provision and making it complicated to deliver programmes in colleges for example.
- The sudden announcement of 'Long Term Plan for Towns' funding without public process was unexpected to both those authorities receiving the funds and those who were not included. This is an example of where clear multiyear funding and process would allow authorities to develop projects of scale to meet known funding targets and objectives.

### Policy coherence between UK Government's approach to levelling up and Scottish Government's policies and priorities.

- There should be continual engagement with COSLA and SLAED to ensure alignment and complementarity of the policy agenda for both governments. This will ensure all resources can be used effectively and efficiently to achieve the best outcomes and avoid duplication.
- There are challenges in relation to co-ordinating funding and spending deadlines which are different for the two Government programmes. There are also differences on some conditions such as the Fair Work First which is part of the Scottish Government funding conditions but not the UK Government conditions.
- Engagement between the two governments is encouraged to agree a set of strategic outcomes for levelling up/ regeneration/ economic development and the delegation of decision making (reflecting the principle of subsidiarity) to local authority level to ensure investment is targeted to meet local needs.
- A multiyear plan for funding (like former European programmes) would be hugely beneficial and allow for the development of strategic interventions that would produce real economic transformation and regeneration.