



Levelling Up, Housing and Communities Committee

Gareth Davies
The Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
London
SW1W 9SP

12 October 2022

Dear Gareth,

Funding for levelling up

I am writing on behalf of the Levelling Up, Housing and Communities Committee, in relation to a new inquiry we are undertaking into funding for levelling up. As part of that inquiry, we will be drawing on the findings of the National Audit Office and the Public Accounts Committee in the reports on Local economic growth and the Towns Fund. As such, we are grateful for the work of the National Audit Office on these matters.

The UK Shared Prosperity Fund (UKSPF) is due, in part, to replace the European Structural Investment Fund (ESIF). We currently hold limited information regarding the total amount of ESIF to be allocated up to the end of 2024/25 as well as where these allocations will be distributed across England, Scotland, Wales, Northern Ireland and their local and combined authorities.

The information regarding the UKSPF is also somewhat limited despite attempts to better understand future allocations. We are concerned that areas that are due to receive funding through the ESIF are also due to receive allocations from the UKSPF and therefore, there are questions about the fair distribution of funding across the country and whether value for money will be achieved. Furthermore, if Government departments do not have access to the allocations from the ESIF, it raises the question of how fair assessments of the allocations from the UKSPF can be made. We have been seeking to obtain further information from DLUHC on this and are writing to HM Treasury on this matter. We would also welcome any insight you may have on the following:

1. how much money from the ESIF is expected to be allocated, given & spent in each of the years up to 2024/5 when payments are due to end;
2. where, in terms of English regions, Local Enterprise Partnership (LEP) areas, mayoral combined authorities, and in respect of the devolved administrations, is the money from the ESIF to be spent in each of the years up to 2024/5;



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3. are you aware of any areas that might receive duplicate allocations from UKSPF and ESIF?

4. how much money from the UKSPF is expected to be spent up to the end of the current Spending Review period in 2024/5, broken down by English regions, LEP areas, combined mayoral authorities and the devolved administrations.

5. the total amount of funding for levelling up, as outlined in the Levelling Up White Paper, and Funds available across all Government departments on a year-by-year basis. We attempted to compile a list the Funds available in our [letter](#) to the then Parliamentary Under Secretary of State for Levelling Up, the Union and Constitution on 26 May.

As I stated, the Committee are soon to inquire into the funding for levelling up and will be scrutinising further how funds are allocated. Therefore, the information we are requesting will be very helpful and provide a basis for our work.

We look forward to hearing from you.

Best wishes,

Mr Clive Betts MP
Chair, Levelling Up, Housing and Communities Committee