



Levelling Up, Housing and Communities Committee

**Rt Hon Jeremy Hunt MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
Westminster
London
SW1A 2HQ**

18 October 2022

Dear Jeremy,

Funding for levelling up

Congratulations on being appointed Chancellor of the Exchequer. The Levelling Up, Housing and Communities Committee looks forward to working with you in this role. As such, I am writing in relation to concerns regarding funding for levelling up.

The 2020 and 2021 Spending Reviews outlined funding for levelling up and the Levelling Up Fund which are set to support areas across the UK. As part of the Committee's continuing work on levelling up, we are looking into the funding available both through the Levelling Up Fund and additional funding streams, including the UK Shared Prosperity Fund (UKSPF) and European Structural and Investment Fund (ESIF). In previous correspondence with DLUHC we have been unable to clarify the total amount of both current and future funding available for levelling up across government departments, including allocations due to be provided through the remaining ESIF.

We are concerned that although funding from ESIF has been provided for 2014-2020, we still currently have a limited amount of information for the funding available from 2020 onwards. We are also concerned that this forms part of a more widespread lack of information surrounding the amount of funding available across government departments which are involved in levelling up and its funding. An overarching consequence of this lack of information is that local areas and regions are unable to plan as they are only being allocated small, short-term, pots and have limited information regarding future allocations.

The Committee, therefore, hopes that you will be able to provide the following information:

1. A detailed breakdown of how much money from the ESIF is expected to be allocated and received in each of the years up to 2024/5 when payments are due to end;



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2. A detailed breakdown of where, in terms of English regions, Local Enterprise Partnership (LEP) areas, mayoral combined authorities' and in respect of the devolved administrations, the money from the ESIF expected to be spent in each of the years up to 2024/5 will be going;

3. On a similar basis, it would be helpful to understand the rationale behind UKSPF allocations. This should include a detailed breakdown of how much money from the UKSPF is expected to be spent, given the short time frame to do so, 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; and

4. The total amount of funding provided by the funding streams mentioned in the Levelling Up White Paper, for levelling up and how much is available across all Government departments on a year-by-year basis. We understand that this covers a wide range of funding pots so it would be helpful to have governmental figures also broken down by each Fund. We attempted to compile a list of some of the funding pots available in our [letter](#) to the then Parliamentary Under Secretary of State for Levelling Up, the Union and Constitution on 26 May.

Moving forward, it would be helpful if the Committee could be informed of the distribution of Levelling Up Funds and funding at a local and combined authority level on a 6-month basis. This request has been made before to DLUHC, once on [26 May](#) and again, on the [20 July](#). In response to the letter dated 26 May, DLUHC were able to provide us with a table showing allocations of levelling up funds to local areas. The table provided, however, only shows allocations over an unstated time-period. It would be helpful to see the statistics showing how much was allocated and received in each financial year, including regional and national totals for each year. It would also be helpful to know what the unspent allocation in each year was.

Considering The Growth Plan, announced 23 September, it would also be helpful to have the following further information regarding the proposed Investment Zones.

5. A breakdown of any funding which will go towards the proposed Investment Zones. It would be helpful to know whether these zones will be financed through existing funding for levelling up, or indeed if new funding will be allocated for these zones.

6. In addition, will any of the allocated funds for the Investment Zones only be available to the designated Zones in the future?

Due to the substantial number of levelling up funding streams, multiple Funds, and the disparate nature of their allocation, coupled with the complexities of the allocation process, it is only possible for the Government to access the information and publish it in a consistent format.



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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 to provide a basis for our work. As such, we would appreciate a response by 4 November.

Best wishes,

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