

Levelling up Fund

1. On March 3 the Government released initial details about two key funding streams, the UK Community Renewal Fund and the Levelling up Fund. Both identify Swale as a priority area for investment and this note provides a summary of the Levelling up Fund and the issues around taking forward any potential bid.
2. Originally announced in the spending review 2020, the Levelling up Fund is a cross-department capital fund of £4bn for England is to invest in “high value local infrastructure”, including local transport schemes, urban regeneration projects and cultural assets. The Fund is to operate for the period up to 2024/25 and is jointly managed by HM Treasury (HMT), the Ministry of Housing, Communities and Local Government (MHCLG) and the Department for Transport (DfT).
3. The fund is open to all areas, but an index (based on local authority areas at District or Unitary level) identifies those which are most in need of levelling up in England. Swale is identified as a priority 1 area, alongside Dover, Canterbury, Folkestone and Hythe, Gravesham and Thanet in Kent. £125,000 capacity funding will be allocated to these local authorities, to support them in developing high quality bids and to help build their relationship with the UK Government for the purposes of the Fund. Further guidance on this is awaited
4. In contrast to the geographical prioritisation, the fund is administered using parliamentary constituency boundaries. Local authorities can submit one bid for every MP whose constituency lies **wholly** within their boundary, over the life of the programme. Where an MP’s constituency crosses multiple local authorities, one local authority should take responsibility as the lead bidder and local areas should work together, with the local MP, to designate that lead bidder. The prospectus indicates that Government expects the relevant MP to back one bid for their constituency.
5. A capital bid can be for an individual project or a package of up to three projects, up to £20 million in value per bid, or in exceptional cases up to £50m per bid for larger transport projects. Both individual and package bids can contain proposals within a single theme, or across multiple themes, so long as they form part of a coherent, consistent proposal.
6. A prospectus was published in March which set out the approach for the first round of the Fund, for 2021/22, with bids to be submitted by the 18th June 2021. Investment priorities for this round of the fund were under three categories; transport investments; regeneration and town centre investment and cultural investment. Projects also needed to be aligned to and support Net Zero goals and consider how projects can work with the natural environment.
7. For the 2021/22 round it was necessary for projects to be able to begin delivery in the 2021/22 financial year and bids submitted were required to be present a full technical business case, with the appraisal framework based on the local strategic fit, value for money, deliverability and the monitoring and evaluation of the project(s) proposed. Given this it was felt that no Swale based project or projects, of an appropriate type or scale, were sufficiently developed to make a credible submission in the opening round for the Fund.

8. Details as to how the fund will be managed in future rounds are to be issued later this year but it is assumed that the investment priorities will remain at least similar to those in the 2021 funding round.
9. As a constituency wholly contained within Swale there is a clear line of sight to bid for the Sittingbourne and Sheppey Constituency and work has started, to scope which project(s) could be developed at scale, with sufficient speed that best meet local priorities. Members views on key issues and potential capital interventions would be welcomed.
10. For the Faversham and Mid-Kent Constituency a bid has been submitted by Maidstone Borough Council, which is understood to have been supported by the MP. If this bid is approved then, as things stand, it would not be possible for any further bid to secure funding within that constituency. However, there is no guarantee that the current bid will be successful. Again Members views on as to possible capital projects would be welcome.