

The Levelling Up Fund is a £4.8 billion competitive capital fund announced as part of the National Infrastructure Strategy in the 2020 Spending Review. It is aimed at prioritising investment that not only brings economic benefits, but also helps bind communities together. It is aimed at having a visible, tangible impact on people and places and supporting economic recovery to create opportunity. Bids will be prioritised that invest in regeneration and growth in places in need and areas of low productivity and connectivity. The Fund will run until 2024-25 across the UK with at least £800 million invested in Scotland, Wales and Northern Ireland.

Unitary councils and district councils can submit 1 bid for every MP whose constituency lies wholly within their boundary. Every local authority can submit at least one bid. 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 to designate that lead bidder. Each bid can be for no more than £20 million.

County councils with transport powers can submit 1 transport bid for up to £50 billion.

Bidding authorities should consult a range of local stakeholders across the full geography of a place in developing their proposed investments for the Fund. Bids should demonstrate evidence of this overall local engagement as part of their strategic case through stakeholder letters or similar. It is expected that a local contribution will be available towards the total scheme cost.

Bidding authorities must consult local Members of Parliament as part of their bid; though such support from local MPs is not a necessary condition for a successful bid.

The amount of funding each area receives will be determined on a competitive basis to ensure value for money.

Each bid submitted by local institutions can be a bid for an individual project or a package bid consisting of multiple projects. Bids for an individual project or package bids can both request up to £20 million of funding.

Funding in 2020/21

The first round of the Fund will focus on three themes: smaller transport projects that make a genuine difference to local areas; town centre and high street regeneration; and support for maintaining and expanding the UK's world-leading portfolio of cultural and heritage assets. Transport bids between £20m and £50m will be accepted for larger transport schemes. They will be subject to a more detailed business case process and will need to score highly overall.

Within the competition, funding will be targeted towards places with the most significant need, as measured by an index taking into account the following place characteristics:

- need for economic recovery and growth;
- need for improved transport connectivity; and,

- need for regeneration.

Using this index, places have been placed into category 1, 2, or 3, with category 1 representing places with the highest levels of identified need. These bandings will form part of the criteria for assessing bids. While preference will be given to bids from higher priority areas, the bandings do not represent eligibility criteria. Bids from categories 2 and 3 will still be considered for funding on their merits of deliverability, value for money and strategic fit, and could still be successful if they are of exceptionally high quality. County Councils, Combined Authorities and the Greater London Authority are not listed in the index. Transport bids from these authorities will be assessed with respect to the characteristics of the place criteria of the lower-tier or single-tier authorities where the bid is located.

In Round One (2021/22) projects will be prioritised which are able to demonstrate investment or begin delivery on the ground in the 2021-22 financial year. There will be future opportunities to bid in subsequent rounds. It is expected that all funding provided from the Fund will be spent by 31 March 2024, and, exceptionally, into 2024-25 for larger schemes.

To apply for investment from the first round of the Levelling Up Fund, eligible local institutions must submit bids to the Ministry of Housing, Communities and Local Government by noon on Friday 18 June 2021. Majority transport bids will be assessed by the Department for Transport. It is expected that investment decisions will be made by autumn 2021.

Local authorities can only have one successful bid for each of their allocated number of bids over the lifecycle of the Fund. Local authorities are therefore encouraged to consider whether bids that they wish to submit for the first round of the Fund reflect their local priorities, or if they should wait until later rounds so that they have more time to consider and develop their proposals.

There will be future opportunities to bid in subsequent rounds.

Assessment Criteria

The assessment process will focus on the following key criteria:

- Characteristics of the place – each local authority will be sorted into category 1, 2 or 3 based on the assessment metrics, with category 1 representing the highest level of identified need (see table below).
 - Deliverability - will be based on supplementary finance, management and commercial cases, with bids able to demonstrate investment or which begin delivery on the ground in 2021-22 financial year prioritised in the first round of funding.
- Strategic fit with local and Fund priorities – this should be addressed in the strategic case of submissions and should include support from stakeholders.
- Value for money – an economic case should be submitted to explain the benefits of the bid and how it represents value for money.

District	Priority
Burnley	1
Hyndburn	1
Preston	1
Pendle	1
Rossendale	1
Chorley	2
Fylde	2
Lancaster	2
West Lancashire	2
Ribble Valley	3
South Ribble	3
Wyre	3