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Mission-led growth:

a monitoring framework for large-scale government initiatives

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Executive summary

This report aims to provide a detailed analysis of the flagship policy of the previous Conservative Government designed to address spatial inequalities across the UK, known as Levelling Up. It develops a simplified monitoring framework to assess the alignment of funding and outcomes with policy objectives. The key insights and recommendations in this report can be aligned with the Labour Government's focus on mission-led growth, as outlined in its manifesto.

Below are the main findings and recommendations and their relevance to Labour's agenda.

Key findings

1. **Inequality and regional disparities:** Levelling Up aimed to address longstanding productivity and income disparities across UK regions. The report highlights significant gaps in economic growth, living standards and job opportunities between areas, particularly in northern England and coastal towns. These findings align with Labour's commitment to reducing inequality and ensuring equitable economic growth nationwide.
2. **Funding allocation and distribution:** The report found that £13.2bn in Levelling Up funds were allocated, with £8.2bn directed to local authorities. However, the correlation between funding allocation and deprivation was not robust, particularly in round 3 of funding, where less deprived areas received more resources. Labour's manifesto, which emphasises prioritising investment where it is most needed, could benefit from these findings to ensure future funds are more equitably distributed to the most deprived areas.
3. **Evaluation of outcomes:** Levelling Up included missions related to employment, education, infrastructure and wellbeing. The report found that key indicators such as Gross Value Added (GVA), employment and skills training were 'off track' and unlikely to meet 2030 targets without significant intervention. Labour's growth agenda, which includes missions around improving employment, education and infrastructure, can use these insights to set more ambitious and achievable goals.
4. **Limitations in data and impact evaluation:** One of the major limitations identified was the lack of robust data collection and evaluation frameworks to assess the long-term impact of Levelling Up. These align with Labour's commitment to better evaluation and accountability in government spending. The Labour Government can implement more stringent data collection and evaluation mechanisms to ensure better monitoring of future regional growth initiatives.
5. **Benchmarking and transparency:** The report recommends adopting tools such as CIPFA's Nearest Neighbours Model for more accurate comparisons across local authorities. This aligns with Labour's call for greater transparency and evidence-based decision-making in government policy, particularly around regional investment and growth.

Recommendations for the Labour Government's mission-led growth strategy

- **Targeted investment in deprived areas:** The Labour Government should ensure that future funding is more directly aligned with deprivation indices, prioritising regions that have been historically underfunded.
- **Data-driven policy making:** Implement more comprehensive monitoring and evaluation systems, similar to the dashboard suggested in this report, to track regional performance and the impact of public spending.
- **Focus on long-term outcomes:** Given that regional disparities take decades to address, Labour's approach to mission-led growth should be focused on sustainable, long-term investment in infrastructure, skills and public services, with regular progress reviews.

- **Strengthen accountability:** Labour can draw on this report's call for better data and transparency by establishing clear accountability frameworks for local and regional authorities in managing funds and achieving growth objectives.

This executive summary highlights the potential for Labour's mission-led growth agenda to build on the findings of this report, with a focus on equitable funding, robust evaluation mechanisms, and long-term investment to reduce inequalities across the UK.

I. Introduction

Prime Minister Keir Starmer has placed mission-led governance at the heart of his party's manifesto. This reflects his commitment to addressing the most significant challenges facing the UK. One of the central pillars of this strategy is a first mission to narrow divergences in regional performance through economic recovery, higher productivity and well-paid jobs. By leading a portfolio of mission boards, the prime minister intends to move from policy short-termism to a bold vision for transformational change.

Industrial strategy will feature prominently over the coming five, to potentially ten, years. The Chancellor's budget on 30 October 2024 and comprehensive spending review next spring will clarify how spending plans align with these priorities. Given a tight fiscal inheritance, the new government will need to bake-in a wide margin for error to keep the missions on track. An open and collaborative mindset across departments and delivery chains can help develop resilience and drive public service innovation.

The UK has long grappled with stark productivity and income disparities across its regions, persisting for over a century and standing out internationally. Today, inner west London's hourly income dwarfs that of Northumberland by 70%, which in turn is 25% higher than Cornwall's. While the mid-20th century saw some regional convergence, this trend reversed in the 1980s and 1990s. Since 2008, disparities between the major NUTS1 regions (including England's nine statistical regions, as well as Wales, Scotland and Northern Ireland) have slightly lessened, yet within these regions, the gap in productivity continues to widen.

Ever since the Great Depression in the 1930s, ways to reduce inequalities across geographic regions have captured the popular imagination. From coastal towns to inner cities, rural farms to the industrial heartlands and, more recently, the north versus south divide, politicians have leveraged disparities in lived experiences and life chances to drive the 'change' narrative. The potency of public finances, and the ability to target resources to deprived places with the most potential, has had a broad appeal.

If Starmer is to leave a legacy at the end of Parliament, he must quickly set out a clear theory of change. The missions-led approach should seek out 'what works' and favour institutional stability as the means to achieving outcomes. That may mean reviewing the devolution agenda set up by the previous government which in 2019 promised to extend the reach of the Northern Powerhouse to places right across the UK. Rather than completely discard what became known as 'Levelling Up', Labour should borrow and adapt the initiative's proven solutions such as the multi-year single settlements through Trailblazer Deals.

Part of any lesson is identifying what to avoid as well. Delays and over-optimism are not uncommon in large government initiatives. Levelling Up was no exception. Co-ordination, collaboration and scale are the necessary but insufficient ingredients to generating robust growth in every part of the country. Yet successive waves of government administrations, ministerial changes and abrupt shifts in policy direction had created uncertainty and volatility instead. What resulted was a fragmented policy landscape that challenged efforts to evaluate success over the long term.

Many investments that target spatial inequalities take decades rather than years to bear fruit. The complex and often interdisciplinary nature of issues such as housing, transportation or workforce development require interventions across a range of domains, geographies and timescales. According to the UK National Audit Office (NAO), only 8% of the previous government's most complex and strategically significant projects (representing over £430bn in spending) were evaluated robustly in 2019. Nearly two-thirds were not evaluated at all.

In March 2024, the House of Commons' Public Accounts Committee (PAC) questioned the effectiveness and efficiency of funding associated with Levelling Up. The Committee – tasked with examining the value for money of government projects, programmes and service delivery – cited that just over 10% of funds had been spent. By December 2023, only a third of the total funding had been allocated to local authorities. Meanwhile, rule changes during the second round of funding led to 55 councils tendering bids that were no longer within scope, at an average cost of £30,000 each.

The new Labour Government can make mission-led delivery more responsive by elevating the role of data, technology and evaluation. A whole system approach would see the Office for Local Government and the proposed Office for Value for Money facilitate better decision-making through cross-cutting collaboration and the use of unconventional and more timely data. Increased accountability through data transparency and regular reporting will ensure both government and local services are held to higher standards.

This report develops a simplified approach that aligns policy objectives and funding to measurement and analysis. While the application is to the most recent Levelling Up initiative, the conceptual framework is scalable and transferable to most other policy domains as well. Given the limitations in subnational data availability and comparability, our analysis constitutes a starting point to help policymakers understand the impact of public spending on outcomes. The idea is to enhance transparency in a timely manner, even if this entails less precision.

We map funding allocations to the success metrics published in the Levelling Up White Paper's Technical Annex. This information is then presented as a dashboard allowing for comparisons across local geographies based on CIPFA's Nearest Neighbours Model.

The report is structured as follows:

- **Section II** outlines our research aims.
- **Section III** provides context on Levelling Up, including the policy's key features, funding sources and objectives.
- **Section IV** describes the data collection involving sources such as official grant funds, the White Paper's Technical Annex and CIPFA's Nearest Neighbours Model.
- **Section V** examines funding distribution, its correlation with deprivation indices, alignment with Department for Levelling Up, Housing and Communities (DLUHC) priorities, council funding needs, and longitudinal comparisons using local authority scorecards. This section also offers a discussion and recommendations for monitoring progress.
- **Section VI** concludes with our key findings.

The Department for Levelling Up, Housing and Communities (DLUHC) is now called the Ministry of Housing, Communities and Local Government (MHCLG). As the report references pre-election data, references to DLUHC are retained throughout.

II. Aims

Using grant data published by DLUHC[1], this study maps funding, its allocation and the outcomes achieved in English local authorities. Incorporating the sociodemographic indicators published in the Levelling Up White Paper allow us to measure longitudinal changes in performance as well as variations across places.

There are several limitations to this approach. First, neither a randomised controlled trial nor a quasi-experiment exists to determine causality between Levelling Up funding and the observed outcomes. Second, our focus is primarily on English local authorities, excluding the considerations of funds allocated to local enterprise partnerships (LEPs), combined authorities and the devolved nations of Scotland, Wales and Northern Ireland. Third, the analysis covers the span of four years, from Levelling Up's launch in 2019 to 2022. This timeframe may be insufficient to observe structural changes relating to natural, human and social capital.

Despite these constraints, the report provides a preliminary review of Levelling Up based on the government's proposed metrics for success. This contributes to the policy discussion by:

1. Examining the allocation and impact of Levelling Up funds totalling £13.2bn, with £7bn directed to English local authorities. We assess funding distribution relative to local deprivation levels, government priorities and councils' funding needs, including a detailed look at the third round of funding distribution.
2. Evaluating the progress made by English local authorities in progressing Levelling Up outcomes since 2019. This covers a range of metrics related to living standards, digital connectivity, education, skills, health, wellbeing and housing, while assessing how local authorities have advanced towards set targets.
3. Suggesting a future approach by applying the CIPFA Nearest Neighbours Model to provide a more nuanced understanding of Levelling Up's impact by benchmarking selected local authorities with their closest counterparts. The report proposes a 'local authority scorecard' which is supported by a (beta) dashboard for tracking performance changes over time.

1 The Department for Levelling Up, Housing and Communities (DLUHC) is now called the Ministry of Housing, Communities and Local Government (MHCLG). As the report references pre-election data, references to DLUHC are retained throughout.

III. Background: Addressing regional inequalities, 2019–2024

1. KEY FEATURES

On 2 February 2022, the UK Government published the Levelling Up the United Kingdom White Paper, defining the policy and detailing the intended actions to reduce spatial inequalities and foster development across the country. The paper defined the agenda as a mission to challenge and change the unfairness in opportunities and talent rewards. The proposal included improving the economic dynamism of all regions by promoting the private sector. It acknowledged the South East of England as the leading region and driver of productivity growth and a long tail of low productivity areas and businesses that explain why UK productivity is low compared to its competitors.

Levelling Up was intended to preserve regional success stories while improving productivity, economic growth, innovation, job creation and educational attainment in the parts of the country that had stalled. The agenda mentioned the 'social and cultural fabric' and advocated for restoring pride in places that had lost it in the last decades.

The paper cited Northern Italy in the time of the Medicis and the UK during the Industrial Revolution as places and moments of co-ordination between technological advancement, financial instruments, institutional development, and cultural and artistic achievements. The government defined the levelling up as a "contemporary Medici model" and listed as its requirements:

A. to boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they were lagging

B. to spread opportunities and improve public services, especially in those places where they were weakest

C. to restore a sense of community, local pride and belonging, especially in those places where they had been lost, and

D. empower local leaders and communities, especially in those places that lacked local agency.

The UK has larger regional disparities than other developed countries by many metrics including productivity, pay, educational attainment and health. The Levelling Up White Paper highlighted former mining communities, outlying urban estates and seaside towns as having the highest levels of community need and poor opportunities for the people who grow up there. Urban areas and coastal towns were mentioned as particularly affected by crime.

The White Paper defined six capitals which encapsulate the drivers for regional disparity. Each of the capitals is individually significant but gains greater importance when mutually reinforced, leading to a collection of benefits. Places with strong endowments of all six capitals experience a virtuous circle, fostering skilled individuals, quality jobs, excellent education, infrastructure and community bonds. In contrast, areas with weak or depleted capitals face a vicious cycle of decline, leading to skills depletion, lack of investment and declining communities, exacerbating geographical disparities in the UK.

Levelling Up aimed to ensure every place in the UK had a rich endowment of all six capitals, transforming vicious cycles into virtuous ones while promoting equal opportunities and prosperity across the nation. The six capitals were::

1. Physical capital – infrastructure, machines and housing
2. Human capital – the skills, health and experience of the workforce
3. Intangible capital – innovation, ideas and patents
4. Financial capital – resources supporting the financing of companies
5. Social capital – the strength of communities, relationships and trust
6. Institutional capital – local leadership, capacity and capability.

The Conservative Government had acknowledged that attempts were made in the past to tackle spatial inequalities but argued that they have failed due to short-term focus, lack of scale and co-ordination, lack of data and effective oversight. To affect change, Levelling Up had proposed five mutually reinforcing pillars which include:

1. A set of 12 medium-term missions to serve as policy anchors.
2. A reorientation of central government decision-making, ensuring alignment with spatial considerations, increased transparency in funding allocation, simplification of local growth funding, and the deployment of additional resources to local areas, including relocating 22,000 civil servants out of London by 2030.
3. Empowerment of local decision-makers by implementing a new framework for local devolution in England, providing ongoing support to existing regional partnerships, private sector initiatives and economic clusters to foster innovation and job creation across the country.
4. Transformation of the government's approach to data and evaluation to enhance local decision-making, improving subnational data transparency and accountability, and providing interactive tools and maps to facilitate real-time data usage for swift and effective experimentation and evaluation.
5. Implementation of a new regime for overseeing its levelling up missions, which includes a statutory duty to publish an annual report on progress, the establishment of an external Levelling Up Advisory Council to advise on policy, and rigorous external scrutiny to ensure accountability and transparency.

The White Paper recognised the role of devolved administrations and local governments in the success of the Levelling Up Agenda, as the six capitals crucial to its achievement straddled different areas of responsibility and government tiers across the UK. While the UK can attract investment and job creation, outcomes in education delivered by devolved administrations were viewed as essential for developing a skilled workforce. Devolution settlements acknowledged the delivery of certain services by devolved governments, but outcomes remained a shared interest for the entire UK, requiring collaboration and common purpose among all layers of government. The then-Prime Minister Rishi Sunak had committed to facilitating engagement with the devolved governments and stakeholders in Scotland, Wales and Northern Ireland to ensure a shared national approach to the levelling up project.

In addition, the government had published a **Technical Annex** that detailed the capitals, missions and success metrics. The Technical Annex outlined 12 missions aimed at advancing key objectives for regional equality and growth, anchored within the capitals' framework. The missions served as mid-term targets, established the government's ambitions, and provided a framework for both private sector and civil society plans. While two of the missions focused on overall outcomes, including enhanced living standards and wellbeing across the UK, the rest centred on intermediate outcomes and inputs that were aligned with the six capitals that shaped local growth outcomes.

Progress was to be assessed through the calibration of headline metrics and supporting indicators. Periodic engagement with stakeholders was expected to form part of the monitoring process. Table 1 presents the 12 missions and their associated capitals.

Table 1 – Levelling Up Framework

Missions	Capitals	Description
Pay, employment and productivity	All	**Mission 1:** By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.
Public investment in R&D	Intangible capital	**Mission 2:** By 2030, domestic public investment in R&D outside the Greater South East will increase by at least 40%, and over the spending review period by at least one third. This additional government funding will seek to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.
Transportation	Physical capital	**Mission 3:** By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.
Internet connectivity	Physical capital	**Mission 4:** By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.
Education	Human capital	**Mission 5:** By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.
Skills training	Human capital	**Mission 6:** By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.
Health	Human capital	**Mission 7:** By 2030, the gap in healthy life expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by five years.
Wellbeing	All	**Mission 8:** By 2030, wellbeing will have improved in every area of the UK, with the gap between top performing and other areas closing.
Pride in place	Institutional capital and social capital	**Mission 9:** By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between top performing and other areas closing.
Housing	Social capital, human capital and physical capita	**Mission 10:** By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest-performing areas.
Safety	Social capital	**Mission 11:** By 2030, homicide, serious violence and neighbourhood crime will have fallen, focused on the worst-affected areas.
Devolution	Institutional capital	**Mission 12:** By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.

Source: Levelling Up the United Kingdom: missions and metrics, Technical Annex (HM Government, 2022).

2. SUMMARY OF FUNDS

As an initiative aimed at empowering local government and redistributing wealth across the country, it was imperative that Levelling Up provided funding for investment in the six capitals. The lack of well-defined objectives and clarity around the awarding criteria for grant funding had not helped shore up support for this flagship policy. Indeed, there had been a persistence in public opinion that the allocation of funds from central government to local places was fuelled by political jockeying rather than genuine needs or the potential to catch up.

The House of Commons Levelling Up, Housing and Communities Committee formally asked DLUHC to explain where and on what basis Levelling Up funds had been disbursed. In response, Michael Gove, the then-Minister for DLUHC, has published details on various grants and funding allocations linked to the levelling-up agenda. This information covered multiple streams of funding such as the Coastal Community Fund, Community Ownership Fund and Towns Fund. Table 2 presents the listed funds, their objectives, the funding criteria, the M&E frameworks in place and the total amount distributed.

Table 2 – Summary of Levelling Up funding sources

Name of fund	Fund objective	Fund criteria	M&E framework	Amount (£m)
Community Ownership Fund	Support local communities to take ownership of local assets and amenities at risk of closure.	Eligible projects must demonstrate sustainability, fulfil specific asset types, show a realistic chance of community ownership and secure match funding, among other requirements.	Projects will be monitored quarterly, financial records kept for seven years, and impact data on community benefits collected. At a national level, the government is developing a strategy to assess the success and value of the programme, looking at aspects such as asset survival, increased usage, social trust, and economic and social outcomes.	£23.8
Future High Streets Fund	To renew and reshape town centres and high streets in a way that drives growth, improves experience and ensures future sustainability.	Projects should tie into broader economic strategies and have support from various stakeholders. Bids should focus on transformative projects related to physical infrastructure, land acquisition, transport access, change of use and adaptation to changing technology. The fund does not support surface-level projects without a long-term impact.	Local authorities receiving funds from the Future High Streets Fund are expected to be transparent about their spending, and details of projects and progress should be publicly available. Authorities are expected to take part in M&E, but no details are given in the prospectus.	£843.4
Towns Fund	Drive the economic regeneration of towns to deliver long-term economic and productivity growth.	The Towns Fund aims to work with 101 towns toward a Town Deal, aligning public investment with other stakeholders to promote growth. It focuses on urban regeneration, skills development, enterprise infrastructure, and improved connectivity to drive economic regeneration and productivity growth in towns. The process operates in two stages: providing capacity support to develop the vision and structures, followed by using locally owned Town Investment Plans to apply for funding for interventions.	The Towns Fund evaluation consists of four components: monitoring to track financial and output targets; process evaluation to understand the application and funding processes; impact evaluation to measure economic, social and environmental outcomes; and value for money evaluation to assess expenditure efficiency and effectiveness.	£2,350.3
Levelling Up Fund	Improve local communities by investing in local infrastructure that has a visible impact on people: transport, town centre and high street, and cultural and heritage assets.	The Levelling Up Fund's second round remains competitive, distributing funding to various UK regions based on successful project selection. At least 9% of total UK allocations will be set aside for Scotland, 5% for Wales and 3% for Northern Ireland. The funding will prioritise areas most in need of economic recovery, improved transport connectivity and regeneration, using an updated Index of Priority Places to determine eligibility.	The Levelling Up Fund will collect data on inputs, activities, outputs, outcomes and impacts. Successful applicants will be responsible for data collection for monitoring purposes, while DLUHC will lead the programme-level evaluation. Applicants are expected to outline their approach to M&E in their application, including key learning questions, data collection plans and how they will resource the process.	£3,837.4

Name of fund	Fund objective	Fund criteria	M&E framework	Amount (£m)
UK Shared Prosperity Fund	Support the UK Government's wider commitment to level up all parts of the UK by targeting funding where it is needed most: building pride in place, supporting high quality skills training; supporting pay, employment and productivity growth; and increasing life chances.	The fund has three investment priorities: communities and place, supporting local businesses, and people and skills, all aligned with the Levelling Up White Paper missions. The UK Shared Prosperity Fund complements other levelling up funding initiatives and provides long-term, stable funding to support a wide range of interventions to improve life chances and build pride in place.	The authorities will report on spend, outputs, outcomes, and milestones, with formal reporting every six months and qualitative updates required more frequently. The UK Shared Prosperity Fund will be evaluated based on a Theory of Change aligned with the objectives of the Levelling Up White Paper, and local authorities are encouraged to conduct process evaluations and causal impact evaluations for certain projects. Common indicators will be used to measure outputs, outcomes, and impacts for comparison and evaluation purposes.	£2,512
UK Community Renewal Fund	Help local areas to pilot imaginative new approaches and programmes that unleash their potential, instil pride and prepare them to take full advantage of the UK Shared Prosperity Fund when it launches.	The UK Community Renewal Fund will be distributed through a competitive process in Great Britain, managed by designated lead authorities such as mayoral combined authorities, the Greater London Authority, county councils, and unitary authorities. Funding will prioritise 100 identified 'priority places' based on an index of economic resilience, while capacity funding of £20,000 per priority place will be provided to lead authorities. In Northern Ireland, a national competition will allocate £11m directly. Capacity funding to prepare for the UK Shared Prosperity Fund will also be available later in the year to build internal capacity and project pipelines.	The M&E requirements for successful project proposals include outlining intended impact, monitoring progress against targets, and creating an evaluation plan with 1–2% of the award. Projects will be monitored by lead authorities or the UK Government, with evidence submission of quantitative and qualitative data. In Northern Ireland, successful applicants must provide an independent report confirming contract adherence. The UK Government emphasises high-quality evaluation, establishing national networks and infrastructure for data sharing, process evaluation, and impact assessment on place and investment themes, in collaboration with the What Works Centre for Local Economic Growth and existing frameworks.	£203.2
Getting Building Fund	Deliver jobs, skills and infrastructure across the country – investment targeted in areas facing the biggest economic challenges as a result of the pandemic.	The Getting Building Fund, launched in June 2020, invited LEPs to propose shovel-ready capital projects that can be completed within 18 months. With a national fund of £900m, its key goals are fostering economic growth, job creation and green recovery. The fund supports projects like town and city centre upgrades, enhanced connectivity, innovation ecosystems, human capital development and digital connectivity improvements for better economic performance, especially in remote areas.	M&E is conducted within each Local Enterprise Partnership. Projects need to satisfy LEPs Assurance Frameworks developed considering the National Local Growth Assurance Framework (Ministry of Housing, Communities & Local Government, 2021).	£899.8

Name of fund	Fund objective	Fund criteria	M&E framework	Amount (£m)
Freeports	Create thousands of high-quality jobs in deprived areas by delivering investment on specific sites benefitting from tax and customs incentives.	Eighteen bids were initially evaluated based on essential information, resulting in 14 bids moving to the detailed assessment phase. Officials assessed each bid against specific criteria and assigned scores. The final selection process involved moderation and aggregation, with ministers considering the aggregated scores, additional considerations and policy objectives to make their decisions. In line with the government's manifesto, up to ten Freeports were planned, with the possibility of additional Freeports if exceptional proposals were presented. Eight English Freeports were selected, prioritising regeneration and private sector involvement, along with consideration of geographic spread and fiscal constraints.	The M&E Framework for the Freeports initiative aims to comprehensively assess the impacts and effectiveness of the programme. It involves ongoing monitoring, process evaluation, impact evaluation, and value for money evaluation at the programme level. The Theory of Change serves as a foundation for understanding the programme's objectives and causal links. Research questions, both high-level and detailed, guide the evaluation process, focusing on implementation, achievement of objectives, driving impacts, lessons learned and value for money. The Theory of Change and evaluation approach will evolve based on yearly findings, including refining questions and assessing causal contributions.	£304
Investment Zones	Grow high-potential innovation and industrial capacity in areas with significant unmet productivity potential through partnerships between central government, local government, research institutions and the private sector.	The government plans to establish 12 Investment Zones across the UK to promote innovation and economic growth. While at least one zone will be established in each of Scotland, Wales and Northern Ireland, eight functional economic areas in England have been identified for this initiative. These areas demonstrate existing strengths, strong research institutions, local leadership and the potential for catch-up economic growth. The government will work in partnership with the devolved administrations, and additional locations may be considered based on clear potential and fiscal constraints.	The M&E strategy for Investment Zones aims to align with departmental objectives, simplifying M&E processes by utilising standardised metrics. Monitoring will involve reporting against agreed metrics to show policy performance and progress, while evaluation will use various data sources, including commercial and administrative datasets, to assess implementation, impacts and value for money. This approach will be harmonised with evaluations of other place-based initiatives, and further guidance will be provided, considering parameters for devolved administrations. Detailed technical guidance for proposal inclusion will also be released.	£640

Name of fund	Fund objective	Fund criteria	M&E framework	Amount (£m)
English City Region Capital Regeneration Funding	Fund high-value capital regeneration projects and support local devolution deals.	Nine mayoral combined authorities in England's city regions, along with the Greater London Authority, will receive funding to support capital regeneration projects aimed at promoting growth and levelling up within their regions. These projects align with the objectives outlined in the areas' devolution agreements and cover initiatives such as town centre regeneration, enhanced local transportation connections and the development of housing on brownfield sites. The funding, amounting to £161.2m, will support a total of 32 projects during the 2022/23 financial year.	–	£161.2
Transforming Cities Fund	Improve access to good jobs within English cities and encourage an increase in journeys made by low-carbon and sustainable modes of transport.	The Transforming Cities Fund (TCF) is a capital grant transport fund of £2.45bn aimed at enhancing productivity by investing in sustainable transport infrastructure in major city regions across England. The funding was allocated to mayoral combined authorities, Future Transport Zones, and shortlisted city regions through multiple tranches, culminating in the completion of all TCF schemes in March 2023. An independent evaluation of the TCF programme is ongoing to assess its impact and outcomes.	An independent contractor is evaluating the TCF programme. Outputs are expected to include a series of focused case studies. The first of these examined the 'co-development' approach to funding under Tranche 2. A government response is published alongside it.	£1,219.5
Local Growth Fund	Growth Deals provide funds to LEPs (partnerships between local authorities and businesses) for projects that benefit the local area and economy.	In July 2019, it was announced that negotiations would begin on five further deals – three in Scotland and two in Northern Ireland. The 2020 Budget announced funding for the two Northern Ireland deals – the Mid, South and West of Northern Ireland deal and the Causeway Coast and Glens deal, and for one of the new Scottish deals (Argyll & Bute).	The NAO's March 2016 report on LEPs highlighted several concerns regarding the implementation of Growth Deals, including the absence of specific measurable objectives and performance indicators for economic growth, pressure on LEPs to spend allocations in a way that might not align with long-term development, and potential resource limitations for effective project delivery. The report emphasised the need for the Department for Communities and Local Government (DCLG) to provide flexible medium to long-term funding, establish quantifiable objectives and performance metrics, ensure adequate local capacity for project delivery, and standardise output metrics for future local growth initiatives to enhance the value for money.	£277
Total				**£13,259.1**

Source: various fund documents (see Annex, Table 12 for details).

IV. Data Sources

This report combines three main data sources that align funding and sociodemographic and outcomes data on local authorities across England. The first is data on Levelling Up fund allocations provided by DLUHC and Centre for Inequality and Levelling Up (CEILUP). The second is local authority data drawn from various publicly available sources that align with the metrics announced in the Levelling Up the United Kingdom: missions and metrics, Technical Annex. The third is data on local authorities benchmarked to CIPFA's Nearest Neighbours Model.

Grant Funding

Funding for Levelling Up as reported by DLUHC lists 11 grants to 391 local authorities, 33 LEPs, ten mayoral combined authorities and one combined authority, as well as the Greater London Authority. The data covers England, Scotland, Wales and Northern Ireland and totals £20.8bn of funds. For England, there are 326 local authorities and £19.5bn allocated to the sector, with £6.5bn directly to local authorities.

As some of these funds had already been designated in part or full prior to 2019, this report removes from the analysis the Regional Growth Fund and Coastal Revival Fund which were allocated before the Levelling Up Agenda was announced. Meanwhile, data from the Transforming Cities Fund was amended to reflect only Tranche 2 that was awarded in 2020. Considering that only LEPs are eligible for the Local Growth Fund, this was removed from our analysis which focuses on local authorities.

Official Levelling Up Metrics

The Levelling Up White Paper Technical Annex contains 49 metrics that correspond to the 12 missions. Within the report, these indicators are classified as a headline or supporting measure following the standards of the Office for National Statistics' (ONS) Subnational Indicators Explorer. The data tool allows for the comparison of local authorities but does not have information on how these metrics have changed over time which is the objective of this report.

Despite the Technical Annex citing 49 metrics in total, with 24 assessed at the local authority level, we have managed to gather data from original sources for 26 metrics, including 11 headline metrics. Table 3 presents these indicators and the years for which data are available.

Table 3 – Levelling Up data availability

Mission	Classification	Metric	Data starts	Latest available
1.	Headline	Gross value added (GVA) per hour worked	2004	2021
	Headline	Gross median weekly pay (£) (N)	2002	2022
	Headline	Employment x for 16–64-year-olds	2004	2022
	Supporting	Gross disposable household income (GDHI) (N)	1997	2020
	Supporting	Disability employment rate gap	2014	2021
3.	Supporting	Percentage of non-frequent bus services running on time	2005	2022
	Supporting	Average excess waiting time for frequent (bus) services (N)	2005	2022
4.	Headline	Percentage of premises with gigabit-capable broadband	2020	2022
	Headline	Percentage of 4G (and 5G) coverage by at least one mobile network operator	2018	2023
5.	Headline	Percentage of pupils meeting the expected standard in reading, writing and maths by end of primary school	2016	2022
	Supporting	Percentage of young people achieving GCSEs (and equivalent qualifications) in English and maths by age 19	2017	2022
	Supporting	Percentage of schools rated good or outstanding by Ofsted	2013	2023
	Supporting	Persistent absences for all pupils and disadvantaged and vulnerable cohorts of children	2007	2022
6.	Headline	19+ Further Education and Skills Achievements (qualifications) excluding community learning, Multiply and bootcamps (N)	2019	2022
	Supporting	Number of starts, and achievements, on apprenticeships per 1,000	2017	2023
	Supporting	Proportion of the population aged 16–64 with level 3+ qualifications (N)	2004	2022
	Supporting	19+ further education and skills participation (N)	2017	2023
7.	Headline	Healthy life expectancy (HLE) (N)	2013	2020
	Supporting	Smoking prevalence in adults	2015	2021
	Supporting	Obesity prevalence – childhood and adult	2007	2022
	Supporting	Cancer diagnosis at stage 1 and 2	2013	2020
	Supporting	Under 75 mortality rate from cardiovascular diseases considered preventable (per 100,000 population)	2021	2021
8.	Headline	Average life satisfaction ratings (N)	2011	2022
	Headline	Average feeling that things done in life are worthwhile ratings (N)	2011	2022
	Headline	Average happiness ratings (N)	2011	2022
	Headline	Average anxiety ratings (N)	2011	2022
10.	Supporting	Net additions to the housing stock	2002	2022

(N) Highlights those metrics not published at Spending Review 2021 as part of the government's updated priority outcomes and metrics.

Source: Levelling Up the United Kingdom: missions and metrics, Technical Annex (HM Government, 2022).

As discussed by Shearer (2022), the data presents limitations, both in terms of granularity and database availability, and highlights the fragility of the defined metrics. The lack of data at the local level or only having regional/country-level data hampers our ability to assess the effectiveness of individual actions and funding allocations. Moreover, it is essential to swiftly provide data for metrics where it is currently unavailable in public sources to ensure a robust M&E process for a policy that has been running for four years.

CIPFA Nearest Neighbours

The **CIPFA Nearest Neighbours Model** is a benchmarking tool designed to assess the similarities between local authorities in England. The model utilises 40 different metrics, covering a broad spectrum of socioeconomic indicators, to produce a nuanced yet straightforward representation of similarities between local authorities. Importantly, the variables selected for the model focus exclusively on the attributes of the geographical area each local authority governs, rather than the allocation of resources or services. The result is a quantifiable measure of 'statistical distance' between authorities, offering valuable insights into how each local authority relates to its nearest neighbours.

This report uses CIPFA's Nearest Neighbours Model in two ways. First, as a control to assess the effectiveness of Levelling Up funding for social outcomes in local authorities. Second, to provide benchmarks for specific local authorities. In both cases, the objective is to consider differences between local authorities sharing similar characteristics.

V. Analysis

Measuring the impact that Levelling Up funds have had on social outcomes in local authorities could involve an impact evaluation using experimental or quasi-experimental approaches. The application of such statistical methods would allow us to estimate a counterfactual of what might have happened if funding had not been made available. Comparing a 'do nothing' scenario to the outcomes attributable to an intervention made possible by Levelling Up funding would allow us to measure effectiveness.

Unfortunately, the data currently collected and published does not allow for such impact evaluation. Moreover, the timeline for policies to have their intended effect may, in many cases, be decades rather than years. There is an opportunity, however, to associate funding with preliminary outcomes.

This chapter analyses the change in socioeconomic outcomes associated with indicators identified in the Levelling Up White Paper using data from local government and the CIPFA Nearest Neighbours Model.

Section 1 provides context based on funding that allows local authorities to understand their performance relative to others. Section 2 examines outcome measures from the perspective of benchmarking.

1. FUNDING

This section aligns data on funding allocation produced by CEILUP with the indices of multiple deprivation (IMD), DLUHC's Index of Priority Places for the Levelling Up Fund and funding needs data from the Institute for Fiscal Studies (IFS). We ask the following questions:

- How much was directed to local authorities?
- How does this correlate with the IMD?
- How does this relate to DLUHC's priorities?
- How does this relate to the funding needs of local government?
- What about the Levelling Up Fund round 3?

How much was directed to local authorities?

From the £13.2bn identified across the different Levelling Up funding pots, local authorities received £8.2bn or 62% of the total (Table 4).

Table 4 – Funding by recipient body

Recipient body	**Funding (£)**
Combined authorities	2,767,487,850
Freeports	304,000,000
Local economic partnerships	552,600,000
Local authorities	**8,246,003,813**
Other bodies	1,389,095,215
Total	13,259,186,878

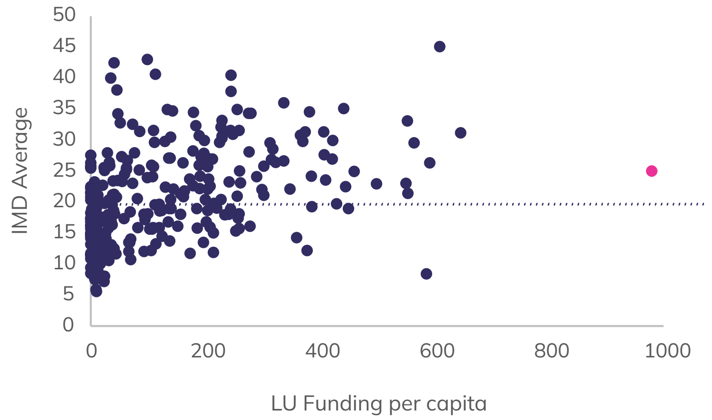
Source: Funding levelling up: Who really benefits (CEILUP, 2023).

Of the £8.2bn, about £7bn was directed to local authorities in England.

How did this correlate with the IMD?

Funding does not, at least initially, appear to correlate with deprivation (Figure 1).

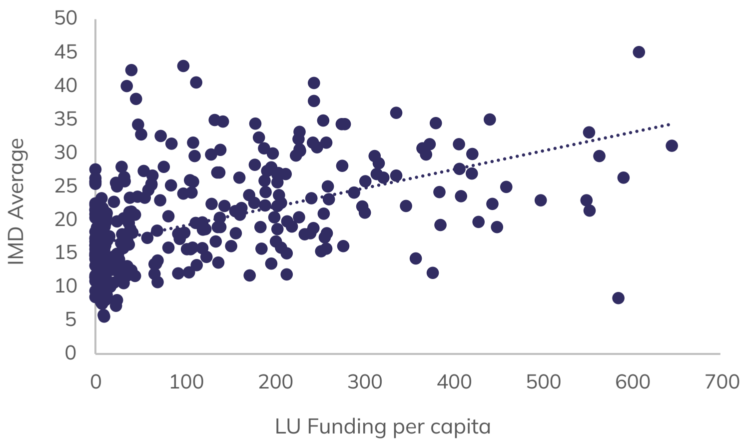
Figure 1 – Average IMD per local authority versus Levelling Up funding per capita (£)



Sources: authors analysis of CEILUP and ONS data.

This result has been driven by two local authorities. In this case, the Isles of Scilly and Copeland received £21,431 and £979 of funding per capita, with relatively small populations of 2,281 and 67,176, respectively. Copeland is represented by the red dot, while the Isles of Scilly is such an outlier that it is not even in the chart (though it is influencing the trendline). After removing these outliers, the chart shows a positive correlation between funding and IMDs (Figure 2). As a higher IMD indicates greater deprivation, the positive slope of the trend line indicates that more deprived areas have received greater funding.

Figure 2 – Average IMD per local authority and Levelling Up funding per capita (£) – Copeland and Isles Scilly removed



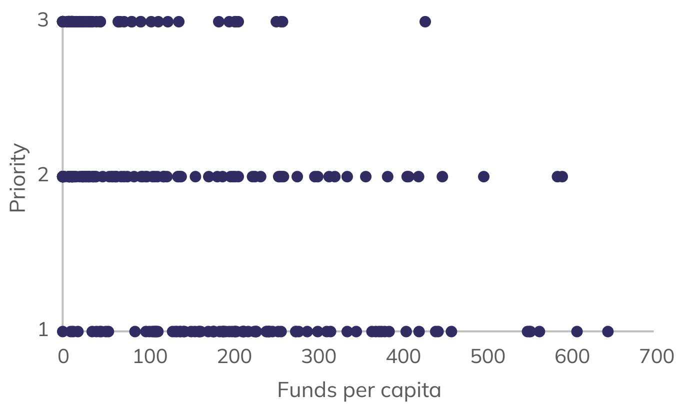
Sources: authors analysis of CEILUP and ONS data.

How did this relate to DLUHC's priorities?

Together with the Levelling Up Fund prospectus, the Conservative Government released the Index of Priority Places (2022) (Priority Index), which ranked places from one to three, where one indicated the highest priority. The ranking criteria included factors relating to economic recovery, transport connectivity and regeneration needs. To ensure transparency, only publicly available data was used. Scoring was based on a composite that averaged indexed values for productivity, unemployment and skills (criterion A) alongside transport and regeneration (criteria B and C), where applicable.

The Priority Index was first released in March 2021 and then updated for the second funding round in March 2022. The latter incorporated new data, utilising two-year averages for unemployment, skills and dwelling vacancy rates to provide a more stable assessment of place-based needs. Figure 3 compares funding per capita with the index scores (with one being the highest priority).

Figure 3 – Levelling Up funds per capita and Index of Priority Places



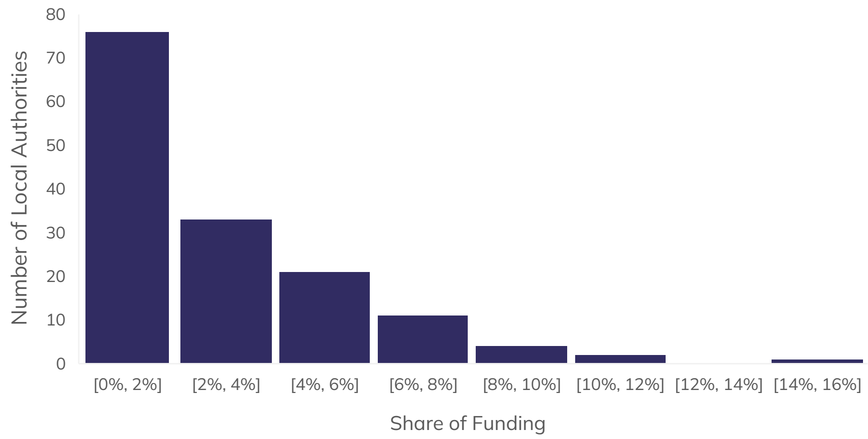
Sources: authors analysis of CEILUP and DLUHC data.

While local authorities across all priority levels received Levelling Up funding, those in group one received significantly higher allocations. For example, the average local authority in priority one received £230 per capita while those in groups two and three received £116 and £38 per capita, respectively. This corroborated the government's intention to direct more resources to areas with greater needs in terms of economic recovery, transport connectivity and regeneration.

How did this relate to the funding needs of local government?

To give a sense of the magnitude of Levelling Up funding per area, we compiled allocation data with total funding estimates from the IFS for upper-tier local authorities (Figure 4).

Figure 4 – Levelling Up funds as a share of all services funding, per capita (primary)

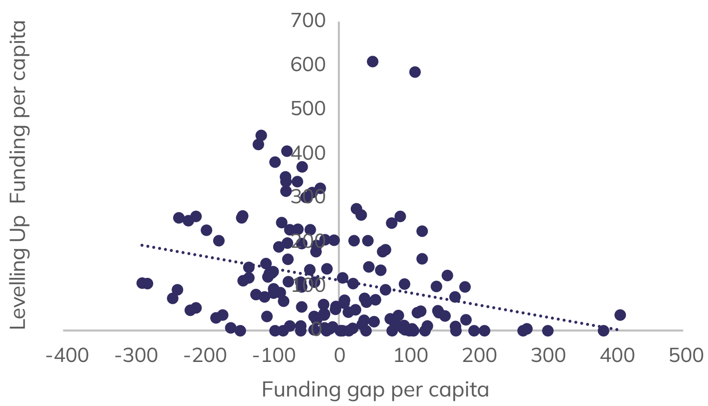


Sources: authors analysis CEILUP and IFS data.

For 129 of the 147 local authorities with data available, the funds received via Levelling Up represented less than 6% of total services funding. In contrast, this amounted to between 6 and 12% for 17 councils, while for one it represented more than 12%.

Despite the seemingly small contribution, the profile of how Levelling Up funds were disbursed is revealing. We found a negative relationship when comparing Levelling Up funding (rounds 1 and 2) with the gap between relative funding and relative need for all services on a per person basis (Figure 5).

Figure 5 – Funding gap per capita versus Levelling Up funding per capita



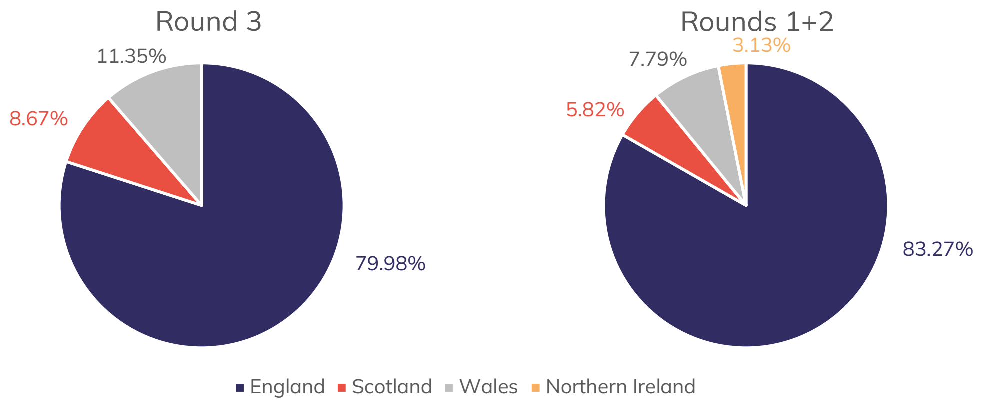
Sources: authors analysis of CEILUP, IFS and ONS data.

Here a positive funding gap means that an authority was funded beyond its needs, whereas a negative one implies underfunding. From this data, we conclude that more funding was directed to authorities with greater needs.

What about the Levelling Up Fund round 3?

Round 3 of the Levelling Up Fund was released on 20 November 2023. Almost a billion pounds were awarded to 52 local authorities across the UK. Comparing this most recent tranche with the previous two, there is little difference in spatial distribution (Figure 6 and Table 5).

Figure 6 – Levelling Up Fund round 3 versus rounds 1+2, % share of total



Source: authors analysis of CEILUP and DLUHC.

Meanwhile, 80% of funds were allocated to England, with Scotland and Wales each receiving 11.4% and 8.7%. This compares with population shares of 84% for England, 8% for Scotland, 5% for Wales and 3% for Northern Ireland. Due to the lack of a working Executive and Assembly in place during round 3, no funds were allocated to Northern Ireland.

Table 5 – Levelling Up Fund round 3, by region (England only)

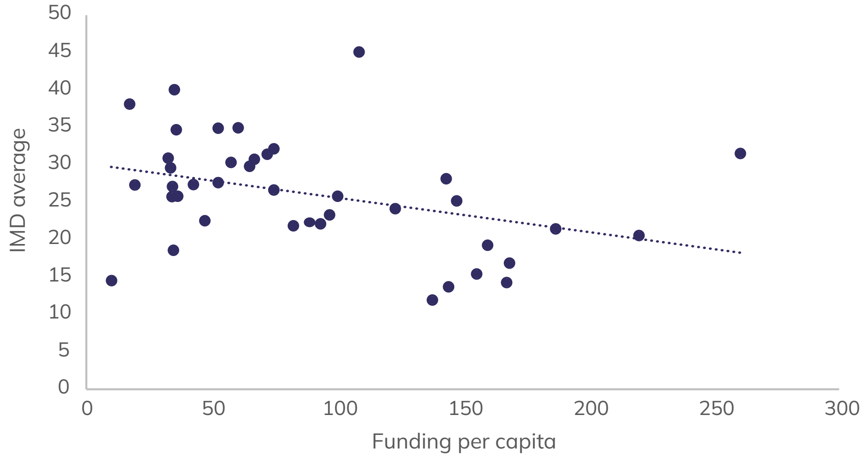
Region	Round 3 (£)	Rounds 1+2 (£)	Population	Funding per capita (round 3) (£)
North East	96,873,896	1,148,355,247	2,646,772	36.60
Yorkshire and The Humber	168,793,377	1,845,516,523	5,480,777	30.80
West Midlands	118,052,777	1,321,609,962	5,954,240	19.83
North West	127,804,070	1,983,453,430	7,422,295	17.22
South West	90,936,765	1,159,979,151	5,712,840	15.92
East Midlands	53,148,064	1,266,383,723	4,880,094	10.89
South East	70,069,303	852,245,793	9,294,023	7.54
East of England	23,605,303	830,256,673	6,334,500	3.73
London	30,401,339	525,413,869	8,796,628	3.46
Total	**779,684,894**	**10,933,214,371**	**56,522,169**	**13.79**

Sources: authors analysis of Levelling Up Fund Round 3: explanatory and methodology note on decision-making process (DLUHC, 2023) and CEILUP data.

The regional distribution across England remains comparable to rounds 1 and 2, with the North East and Yorkshire and the Humber receiving the most funding per capita at £36.60 and £30.80, respectively. It is worth noting, however, that the size of round 3 funding represented just a fraction of the earlier two rounds – round 3 disbursed £779m compared to £10bn in rounds 1 and 2. In the North East, for instance, round 3 provided just £36.60 per capita compared to a total of £433.87 per capita across rounds 1 and 2.

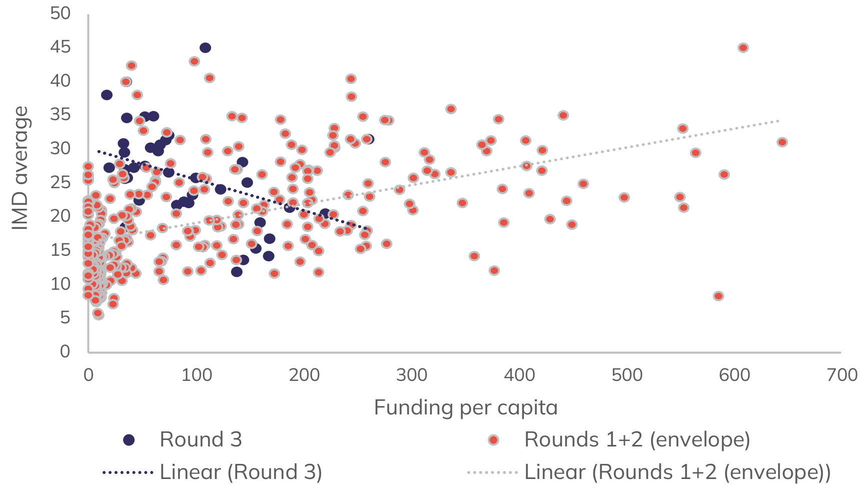
Although there have been similarities in how the Levelling Up Fund rounds were distributed at a regional scale, differences in the amounts awarded to local authorities have been more pronounced. When mapped against the IMD, *more* funds were awarded to *less* deprived areas in round 3 (Figure 7). This reversed a positive relationship observed during the previous two rounds when more deprived areas received more funding (Figure 8).

Figure 7 – Levelling Up Fund round 3, funding per capita per local authority (£) versus IMD average



Sources: authors analysis of DLUHC and ONS data.

Figure 8 – Levelling Up Fund: round 3 versus rounds 1+2, funding per capita per local authority (£) versus IMD average



Sources: authors analysis of DLUHC, CEILUP and ONS data.

2. OUTCOMES

This section tracks a subset of the socioeconomic indicators that were announced in the Levelling Up White Paper Technical Annex. To facilitate comparisons, we include data from the ONS Subnational Indicators Explorer when they are assigned to the local authority level (the focus of our analyses; excluded from the analysis are indicators that lacked sufficient data (see Annex)). Therefore, Missions 2 (R&D), 9 (Crime), 11 (Pride in Place) and 12 (Local Leadership) are excluded as they are evaluated at different geographical scales which do not align with our local authority-centric approach.

For each of the remaining eight Levelling Up missions for which data are available, we aim to answer the following questions:

- Is the data sufficient to assess the mission?
- How have local authorities progressed in the metric since 2019?
- How close was each mission to reaching its target by 2030?

- How might the mission's M&E processes have been enhanced to better involve and account for the role of local authorities?

Table 6 summarises the likelihood that each Levelling Up mission and indicator would have met its stated target by 2030.

Table 6 – Levelling Up performance tracker*

Mission/Indicator	Status
Mission 1: Pay, employment, and productivity	
Gross value added (GVA) per hour worked	Off track
Gross median weekly pay (£)	On track
Employment rate for 16–64 year olds	Needs monitoring
Gross disposable household income (GDHI)	On track
Disability employment rate gap	Off track
Mission 3: Public transport connectivity	
Percentage of non-frequent bus services running on time	Insufficient data
Average excess waiting time for frequent (bus) services	Insufficient data
Mission 4: Broadband and mobile coverage	
Percentage of premises with gigabit-capable broadband	On track
Percentage of 4G (and 5G) coverage by at least one mobile network operator	On track
Mission 5: Education standards	
Percentage of pupils meeting the expected standard in reading, writing and maths by end of primary school	Needs monitoring
Percentage of young people achieving GCSEs (and equivalent qualifications) in English and maths by age 19	Needs monitoring
Percentage of schools rated good or outstanding by Ofsted	Needs monitoring
Persistent absences for all pupils and disadvantaged and vulnerable cohorts of children	Off track
Percentage of five year olds achieving 'expected level' on literacy, communication and maths early learning goals	Off track
Mission 6: Skills training	
19+ Further Education and Skills Achievements (qualifications) excluding community learning, Multiply and bootcamps	Off track
Number of starts, and achievements, on apprenticeships (per 100,000 population)	Off track
Proportion of the population aged 16–64 with level 3+ qualifications	Needs monitoring
19+ further education and skills participation (per 100,000 population)	Needs monitoring
Mission 7: Healthy life expectancy	
Healthy life expectancy (HLE)	Off track
Smoking prevalence of adults	Needs monitoring
Obesity prevalence – children and adults	Off track
Cancer diagnosis at stages 1 and 2	Needs monitoring
Mission 8: Wellbeing	
Average life satisfaction ratings	On track
Average feeling that things done in life are worthwhile ratings	On track
Average happiness ratings	On track

Mission/Indicator	Status
Average anxiety ratings	Off track
Mission 10: Housing	
Net additions to the housing stock	Off track

***On track**: indicates that the indicator was progressing well and likely to meet the 2030 target.

Off track: indicates that the indicator was not progressing as needed and unlikely to meet the 2030 target without significant changes or interventions.

Needs monitoring: indicates that the indicator was showing progress, but due to uncertainty would have required continuous monitoring to ensure it stayed on track for the 2030 target.

Source: authors calculations based on published data: see data sources noted in the missions below.

Mission 1

By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.

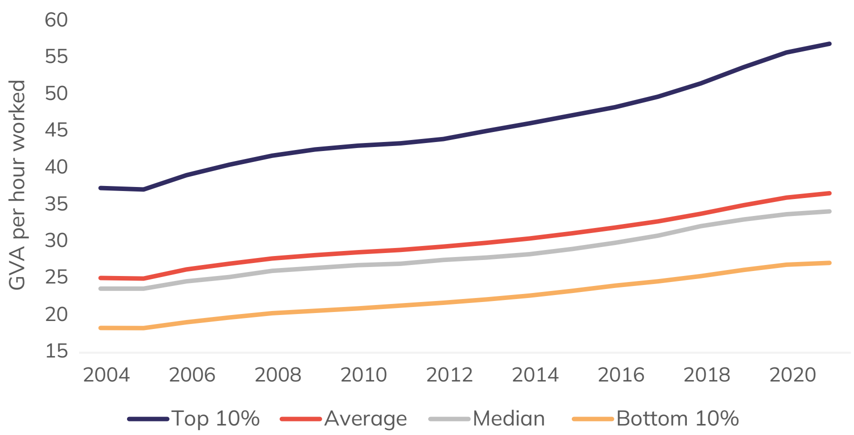
Given current population and workforce growth trends and years of underperformance in productivity, relative to other G7 countries, the previous (Conservative) UK Government's objectives were not sufficiently ambitious. This would particularly be the case if the narrowing of the gap between the top and bottom performing areas had been achieved by levelling down. Meanwhile, a "globally competitive city" required a clearer definition and evaluation criteria if it was to be a useful indicator.

Mission 1 had the most headline metrics available:

- GVA per hour worked
- Gross median weekly pay (£)
- Employment rate for 16–64-year-olds

Productivity between places did not improve. Although there was an increase in the GVA per hour worked even for the worst performing authorities, the gap between the top and bottom 10% groups widened (Figure 9).

Figure 9 – GVA (£) per hour worked, by local authority group

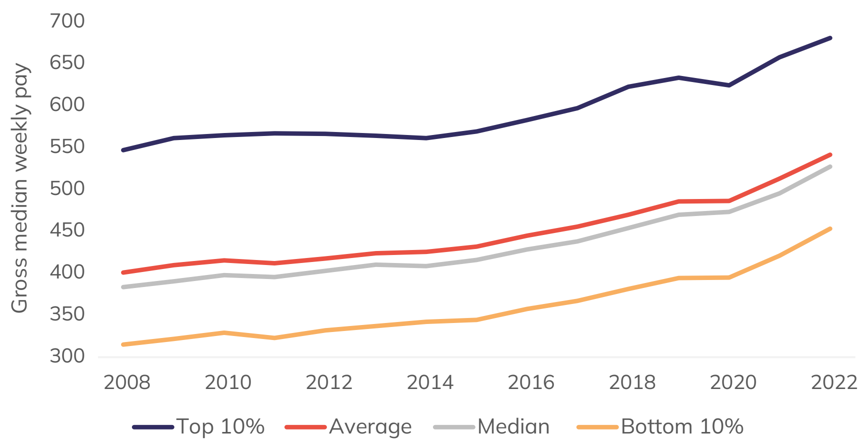


Source: authors analysis of ONS data.

In 2016, the top 10% of local authorities had a GVA per hour worked 101% bigger than that of the bottom 10%. This increased to 109% by 2021. In addition, there were 33 authorities that had a decrease in productivity as measured by GVA per hour worked from 2019 to 2021.

Meanwhile, an increase in gross pay across local authorities did not lead to a divergence. Rather, there was a reduction in the gap between the top and bottom 10% of local authorities (Figure 10).

Figure 10 – Gross median weekly pay (£), by local authority group

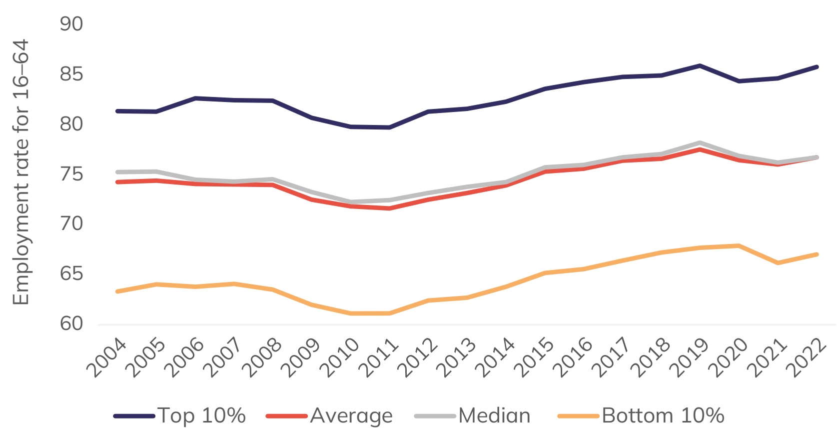


Source: authors analysis of ONS data.

Average gross weekly pay was 76% higher in the top decile of local authorities when compared to the bottom decile in 2011. This differential reduced to 50% in 2022.

Employment data show a similar trend, with the relative gap between the top and bottom performing local authority narrowing from 31% in 2010 to 24% in 2020. However, the COVID-19 pandemic disrupted labour market activity, reversing some of this improvement. As a result, the differential widened again to 28% in 2022 (Figure 11).

Figure 11 – Employment rate for those aged 16–64, by local authority group



Source: authors analysis of ONS data.

Mission 1 also included eight supporting indicators:

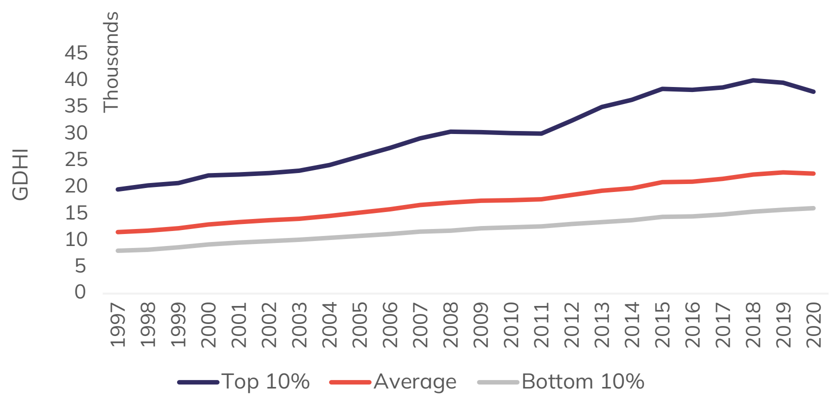
- GDHI
- Proportion of jobs that are low paid

- Participation rate
- Disability employment rate gap
- Proportion of children in workless households
- Proportion of employed people in skilled employment (SOC 1-3, 5)
- Total value of UK exports
- Inward and outward foreign direct investment (FDI)

The ‘proportion of employed people in skilled employment’ has been excluded from our analysis due to definitional changes in the Standard Occupational Classification (SOC) between 2010 and 2020.

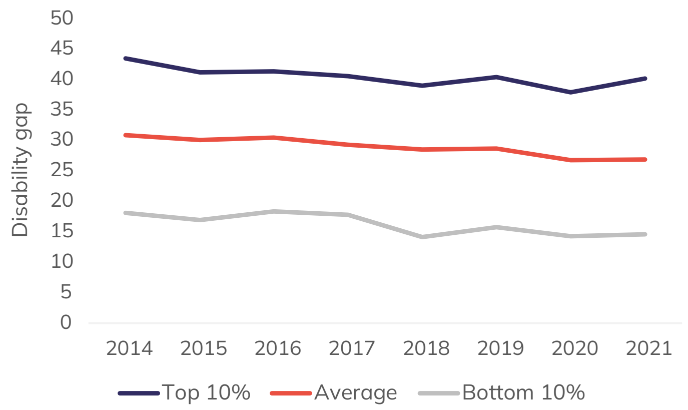
The gap in GDHI between the top and bottom 10% of local authorities narrowed from 168% in 2015 to 136% in 2020 (Figure 12). This contrasts with the disability employment gap which rose from 125% in 2016 to 176% in 2021 (Figure 13). When more recent data is published, we will be able to form a clearer picture of these trends.

Figure 12 – GDHI, by local authority group



Source: Authors analysis of ONS data.

Figure 13 – Disability employment gap, by local authority group



Source: Authors analysis of ONS data.

Mission 3

By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.

There was a lack of clarity in this mission's objectives, as the proposed metrics overlooked the localised nature of regional inequality. The two headline indicators used the ITL1 (regional) geographical level and therefore failed to account for the varied geography and transport needs across different regions (the International Territorial Levels (ITLs) is a hierarchical classification of administrative areas, used by OECD member countries for statistical purposes. South west (England) is one of 12 ITL level 1 areas in the UK). Comparing one region (London) with others that have their own distinct transport requirements is not ideal. Instead, measuring public transport use at a more localised scale, such as upper-tier local authority, would have allowed for more accurate comparisons. The metrics failed to include parameters such as funding for local transport authorities or the simplification of fares on local public transport, making it challenging to track actual progress towards the mission's goals.

The mission had two headline indicators:

- Usual method of travel to work by region of workplace
- Average travel time in minutes to reach nearest large employment centre (500 + employees).

There were three supporting metrics as well:

- Percentage of non-frequent bus services running on time
- Average excess waiting time for frequent (bus) services
- Public transport trips as a proportion of total trips per year.

The first headline metric and third supporting metric are published at higher geographic scales (ie nations and regions). Meanwhile, data for the "average travel time in minutes to reach nearest large employment centre" is available for local authorities only up to 2019 which limits our ability to track its progress since the start of the Levelling Up Agenda.

Annual data is updated at the local authority level for the first two supporting metrics only. Unfortunately, data coverage for "the percentage of non-frequent bus services running on time" is limited to just 74 authorities in 2022. Similarly, data on the "average excess waiting time for frequent (bus) services" is available for only 16 authorities.

Mission 4

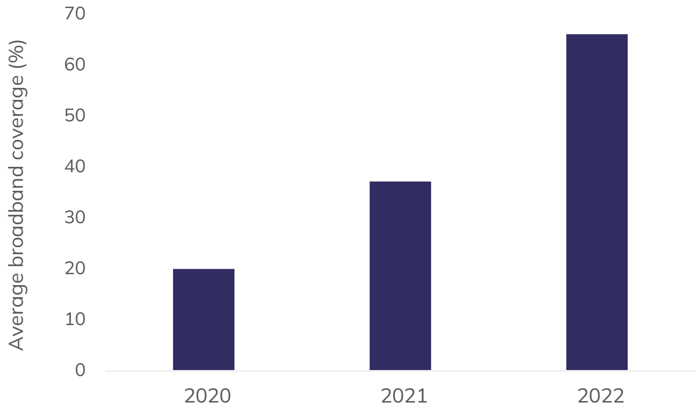
By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.

This mission was monitored by two measures of network coverage published annually in Ofcom's Connected Nations progress report.

The goals underpinning the mission were ambitious with the initial deadline of 2025 stated in the 2019 Conservative Party Manifesto delayed to 2030. According to the Institute for Government, "the Public Accounts Committee has suggested that current approaches will be insufficient, and the government needs to move away from reliance on commercial contractors and develop a clear plan for hard-to-reach areas."

Data on the "percentage of premises with gigabit-capable broadband" is available for 379 local authorities (of which 314 are in England) starting in 2020. In the past three years, noticeable progress has been achieved with the average coverage per local authority in England expanding from 20% in 2020 to 66% in 2022 (Figure 14).

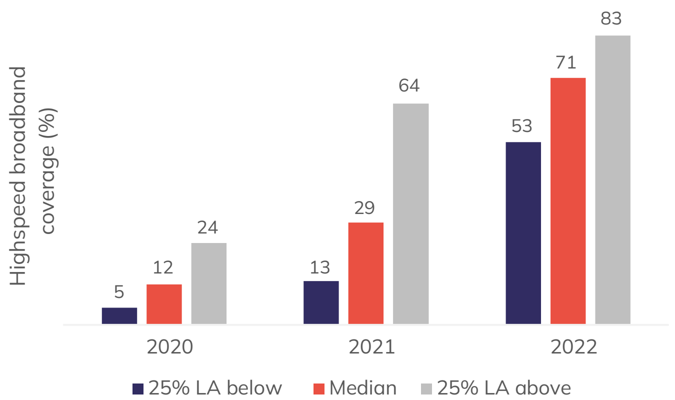
Figure 14 – Average broadband coverage between local authorities in England



Source: authors analysis of Ofcom data.

The relative improvement in broadband coverage has been consistent across England. To illustrate this, we separate local authorities into performance quartiles based on their broadband coverage. The bottom quartile (lowest 25% of local authorities) had less than 5% gigabit-capable broadband coverage in 2020, which increased to 53% in 2022. The median (middle 50% of local authorities) rose from 12% in 2020 to 71% in 2022 while the top quartile (highest 25%) increased from 24% in 2020 to 83% in 2022 (Figure 15).

Figure 15 – Highspeed broadband coverage, local authorities in England



Source: authors analysis of Ofcom data.

The main challenge for the previous government was extending highspeed broadband coverage to hard-to-reach areas, both within a local authority as well as to geographic areas lacking connectivity. For example, the ten local authorities with the least access to broadband in 2020 are still less than 20% covered in 2022 but with greater divergence in performance (Table 7).

Table 7 – Lowest ranked local authorities in percentage of broadband coverage

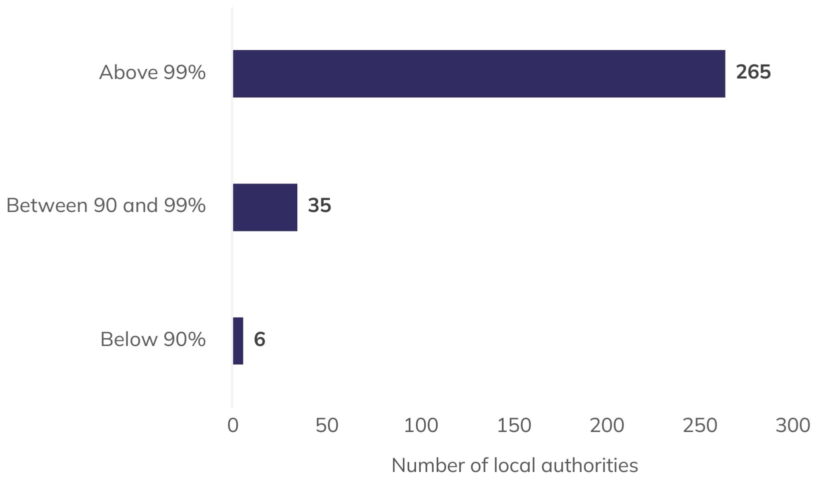
Authority	2020	2021	2022
Isles of Scilly	0	1.6	1.6
Copeland	1.6	1.9	2.7
Allerdale	2.8	3.4	5.4
Scarborough	2.6	3.8	5.5
High Peak	4.1	4.5	6.4
North Norfolk	4.2	6.3	11.2
Derbyshire Dales	7.7	9.4	14.4
Tendring	7.6	12.1	14.8
Ryedale	7.4	10.4	15.6
Richmondshire	4.9	5.8	17.1

Source: authors analysis of Ofcom data.

Targeted intervention and public spending can have a significant impact in achieving these access goals. There are several examples of local authorities that have moved from a lack of coverage in 2020 to high coverage in 2022 – Norwich from 0.2% in 2020 to 85% in 2022, Adur from 0.6% to 90% and Blackpool from 0.5% to 71%.

Mission 4's second headline metric tracked the "percentage of 4G (and 5G) coverage by at least one mobile network operator". Ofcom publishes data on 379 local authorities (317 in England) starting from 2019. In 2022, coverage was near universal with only six local authorities in England below 90% and 41 below 99% (Figure 16).

Figure 16 – Percentage of 4G (and 5G) coverage by at least one mobile network operator in 2022 across local authorities in England



Source: authors analysis of Ofcom data.

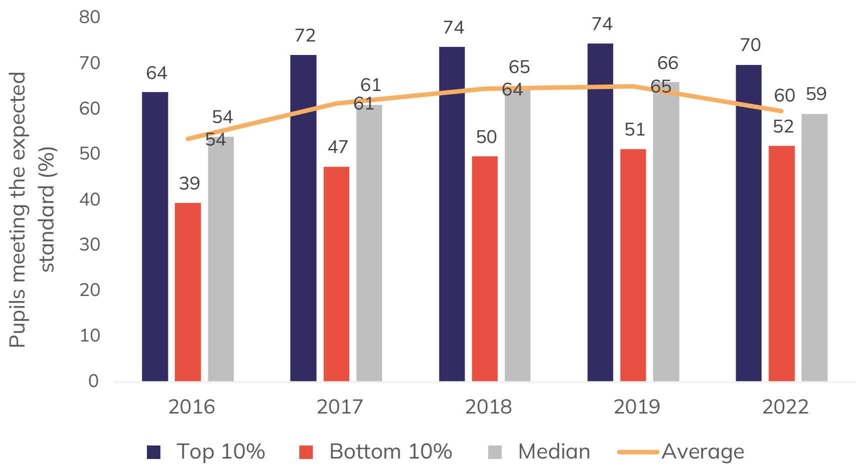
Given that most local authorities have near universal mobile coverage, the value of monitoring this indicator was questionable. Levelling Up could have focused instead on achieving fuller coverage for those areas that still had relatively lower levels of penetration. Better still would have been metrics that captured enhanced network features or coverage by more than one network provider.

Mission 5

By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.

The fifth mission was being monitored by five indicators for which the headline metric was "the percentage of pupils meeting the expected standard in reading, writing and maths by end of primary school". Between 2016 and 2019, this indicator increased by 11 percentage points for the average local authority, with most of this occurring during the first year. Meanwhile, the share of students meeting the expected standard fell on average from 65% in 2019 to 59% in 2022 (Figure 17). The lagged effects of school closures during the COVID-19 pandemic may lead to a further deterioration.

Figure 17 – Percentage of pupils meeting the expected standard in reading, writing and maths by end of primary school, by local authority group



Source: authors analysis of Department for Education (DfE) data.

As shown in Figure 17, the attainment gap between the top and bottom deciles of local authorities had narrowed between 2016 and 2022. Although modest reductions were visible pre-pandemic, with the gap decreasing from 25% in 2016 to 23% in 2019, the measured gap in student attainment fell further to 18% in 2022. This decline was partly due to an improvement in the bottom decile – 4% more students in the lowest 10% of local authorities met the expected standard between 2017 and 2019 compared with a change of 5% in the top 10% local authorities. However, this was also due to a deterioration among the top performers, with a reduction from 74% achieving the expected standard in 2019 to just 70% in 2022.

Even if this pace of growth were to be applied across 2022 and 2030, it would still have been noticeably insufficient to achieving the Conservative Government's 90% performance target. For instance, improving attainment scores by 8% and 16% for the top and bottom deciles of local authorities, respectively, would only result in 78% and 61% of their pupils meeting the expected standard by 2030.

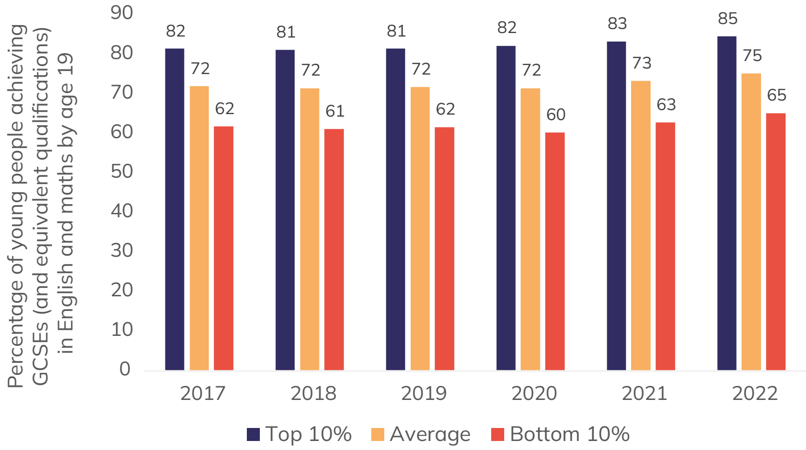
In addition, Mission 5 included four supporting metrics:

- Percentage of young people achieving GCSEs (and equivalent qualifications) in English and maths by age 19
- Percentage of schools rated good or outstanding by Ofsted
- Persistent absences for all pupils and disadvantaged and vulnerable cohorts of children

- Percentage of five-year-olds achieving ‘expected level’ on literacy, communication and maths early learning goals.

The trend for attainment in secondary education from 2017 to 2022 was similarly modest. There was a three-percentage point improvement in the share of pupils achieving their GCSEs for both the top and bottom 10% of local authorities in England. Crucially, the performance gap between the two groups remained unchanged at 20%. At the current pace of improvement, the average local authority will barely achieve 80% in 2030 (Figure 18).

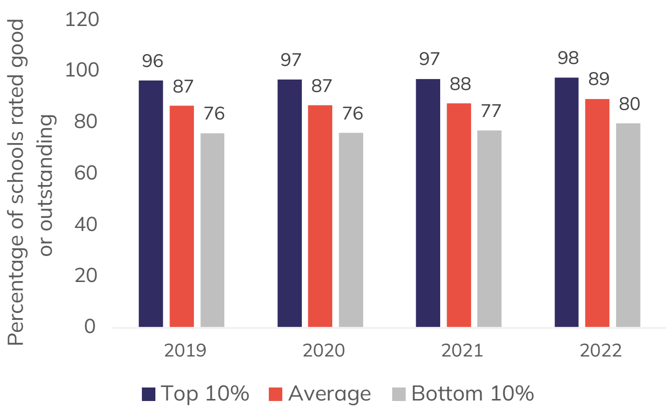
Figure 18 – Percentage of young people achieving GCSEs (and equivalent qualifications) in English and maths by age 19, by local authority group



Source: authors analysis of DfE data.

For the share of schools rated good or outstanding by Ofsted, the observed trend is not much different with only a small decrease in the gap between top and bottom authorities. The lowest performing 10% of local authorities, however, saw a meaningful improvement in 2022.

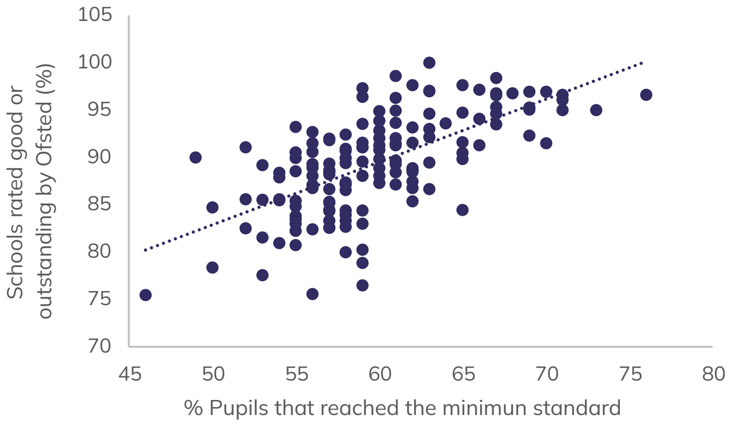
Figure 19 – Percentage of schools rated good or outstanding by Ofsted, by local authority group



Source: authors analysis of Ofsted data.

It is worth noting that the quality of schools is directly correlated with the headline measure of learning attainment in primary school (Figure 20). There is a strong positive relationship between school quality and the number of pupils that reached the minimum standard.

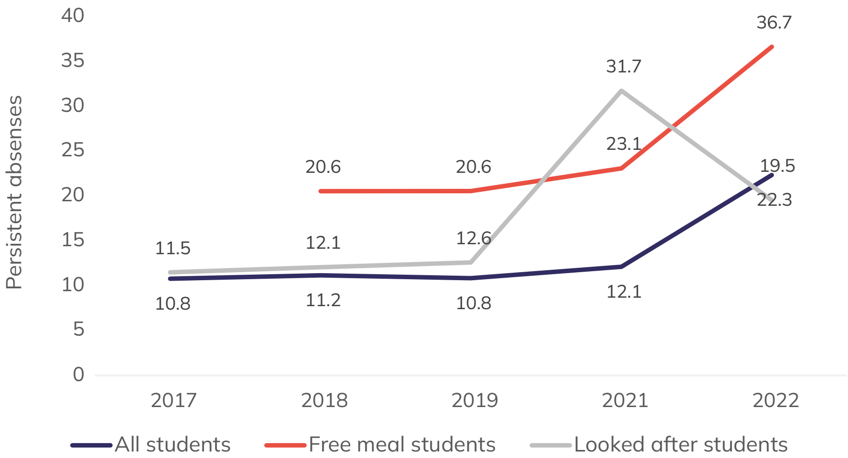
Figure 20 – Percentage of schools rated good or outstanding by Ofsted versus percentage of pupils that reached the minimum standard



Sources: authors analysis of DfE and Ofsted data.

Persistent absences from school for all pupils, pupils eligible for free meals and looked-after pupils increased drastically during the pandemic. This was likely due to factors such as labour market dislocations, transport disruptions and health concerns that disproportionately impacted people in more deprived communities. Policies that targeted groups such as looked-after children were relatively successful. For instance, persistent absences among looked-after children reached 31.7% in 2021, significantly higher than other groups. Services for children-in-care faced severe disruptions during the pandemic, including difficulties in receiving health support and the inability to see biological family members, which may have contributed to this high rate. Although data is still preliminary, the relative recovery suggests a partial unwinding of this impact with the end of the lockdowns and the resumption of in-person support services (Figure 21).

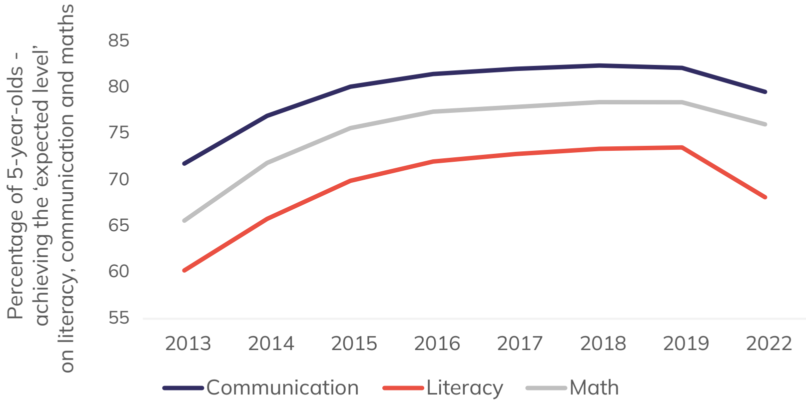
Figure 21 – Persistent absences for all pupils and disadvantaged and vulnerable cohorts of children (average across all local authorities)



Source: authors analysis of DfE data.

Meanwhile, the pandemic negatively affected the progress achieved since 2013 on the percentage of five-year-olds achieving the 'expected level' of literacy, communication and maths in early learning goals. This indicator had been improving for six years but in 2022 reversed course back to around 2015. The decline was particularly pronounced for literacy, where performance in the share of pupils reaching the expected level deteriorated from 73.5% in 2019 to 68% in 2022. The closure of schools and libraries, alongside a swathe of social distancing rules imposed by the government, will not have helped.

Figure 22 – Percentage of five-year-olds achieving the 'expected level' on literacy, communication and maths in early learning goals (averages across all local authorities)



Source: authors analysis of DfE data.

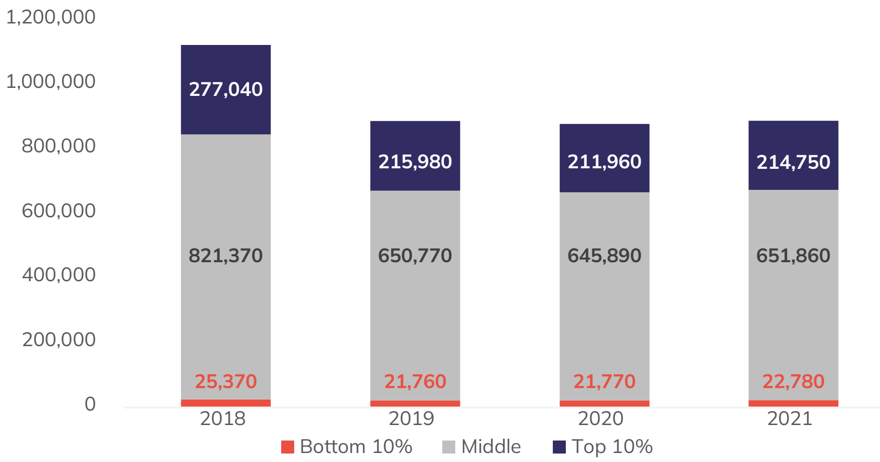
Mission 6

By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.

The Levelling Up White Paper listed "19+ Further Education and Skills Achievements (qualifications) excluding community learning, Multiply and bootcamps" as the headline metric for this mission. Given that the number of people completing qualifications has been declining since at least 2014/15, it was unlikely that even achieving this ambitious target would meaningfully improve the overall net position. Indeed, 76 local authorities have experienced actual declines in their qualification numbers since 2019.

Further education and skills attainment data have levelled off since 2019 (Figure 23). When comparing local authorities based on performance deciles, the top 10% contributed around a quarter of the total qualifications in both 2018 and 2021. In contrast, those in the bottom 10% accounted for just 2.6% in 2021 – a slight uptick from 2.3% in 2018.

Figure 23 – 19+ Further Education and Skills Achievements excluding community learning, Multiply and bootcamps, by local authority group



Source: authors analysis of DfE data.

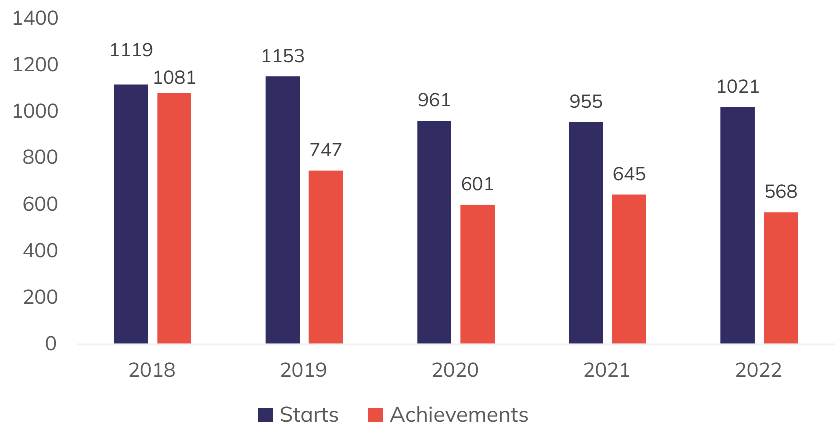
Mission 6 of Levelling Up was supported by an additional three indicators:

- Number of starts, and achievements, on apprenticeships (per 100,000 population)
- Proportion of the population aged 16–64 with level 3+ qualifications
- 19+ further education and skills participation (per 100,000 population).

Although apprenticeship starts have partly recovered from the pandemic drop, the conversion to achievements has been on a decidedly downward trend. The latter nearly halved from 2018 to 2022, with just 568 apprenticeships completed on average in 2022 (Figure 24). Worryingly, this deterioration started in 2019 so cannot be attributed to the pandemic.

Moreover, feedback from businesses and industry seems to corroborate that government efforts to target the quantity, rather than quality, of apprentices have led to worsened outcomes.

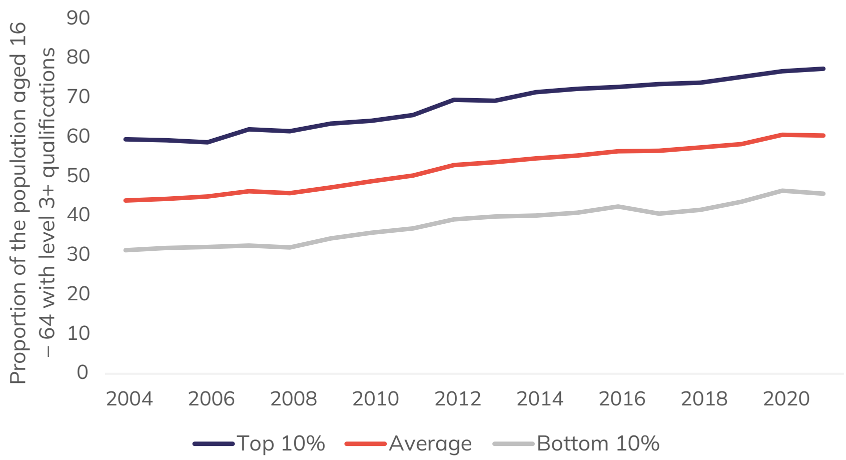
Figure 24 – Average number of starts and achievements on apprenticeships



Source: authors analysis of DfE data.

The share of the population aged 16–64 with level 3 and above qualifications (equivalent to A levels and above) increased on average between 2004 and 2021. Performance on this indicator for the lowest 10% of local authorities, however, fell slightly in 2021 (Figure 25). This contrasts with an improvement in attainment for the top 10% which rose to 77.4% in 2021.

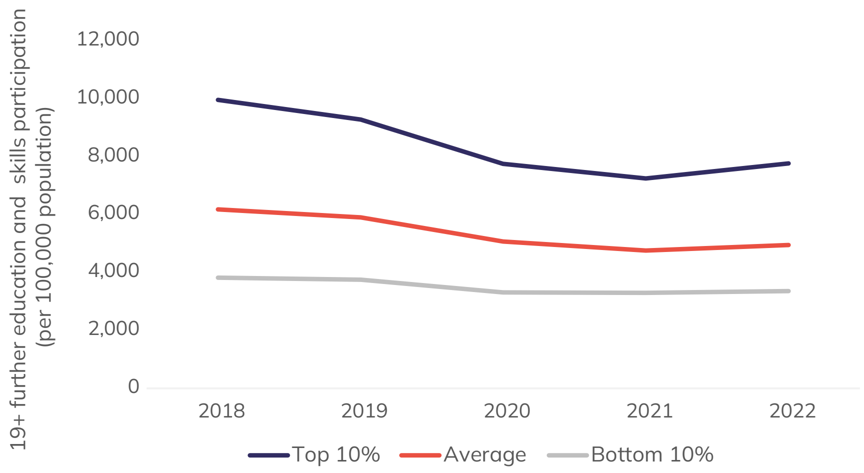
Figure 25 – Proportion of the population aged 16–64 with level 3+ qualifications, by local authority group



Source: authors analysis of Nomis data.

A similar pattern is observed in data on further education and skills participation (Figure 26). From 2018 to 2021, there was a noticeable narrowing in the gap between the top and bottom 10% of local authorities, largely driven by a decline in the former. In 2022, the gap reappeared due to a recovery in participation levels at the top (whereas the bottom decile has remained unchanged for three years).

Figure 26 – 19+ further education and skills participation by local authority group



Source: authors analysis of DfE data.

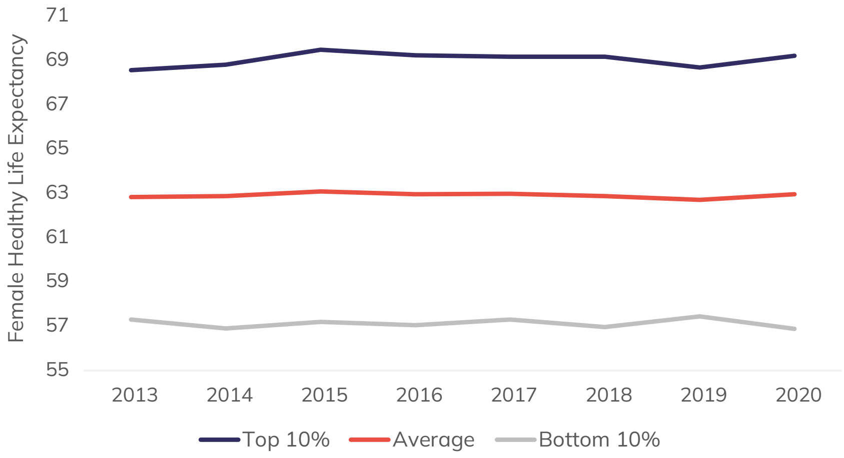
Mission 7

By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by five years.

The seventh mission had been monitored by a headline measure on "Healthy Life Expectancy (HLE)". Although the government was not on track to reducing the gap across places with the largest disparities, this was a stretching goal that had the potential to spur policy innovations. For example, targeted interventions in deprived areas, such as improving access to healthcare services, promoting healthy lifestyles and addressing social determinants of health, could be piloted and scaled based on successful outcomes. Similar approaches have been used in previous public health strategies to reduce smoking rates and improve mental health services, demonstrating the potential for targeted policies to drive improvements in HLE.

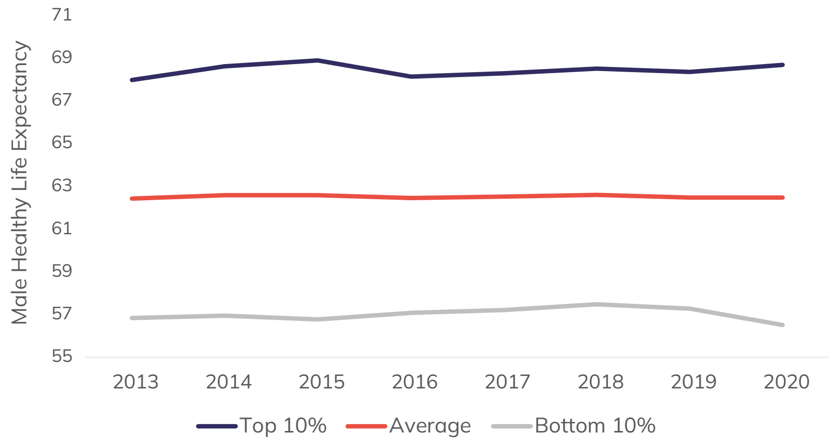
Although changes to life expectancy are gradual and measured across generations rather than years, HLEs for both males and females increased on average from 2019 to 2020. Divergences across both genders between the top and bottom 10% of local authorities can be observed in 2020, the latest year for which data is available. HLE increased to around 69 years in the top decile while it decreased to under 57 for the bottom decile (Figures 27 and 28).

Figure 27 – Female HLE, by local authority group



Source: authors analysis of ONS data.

Figure 28 – Male HLE, by local authority group



Source: authors analysis of ONS data.

Table 8 – HLA by gender for the 10 lowest performing local authorities

Female		Male	
Authority	**HLE**	**Authority**	**HLE**
Blackpool	54.3	Blackpool	53.5
Stoke-on-Trent	55.1	Kingston upon Hull, City of	53.9
Doncaster	56.2	North East Lincolnshire	55.2
North Lincolnshire	56.4	Stoke-on-Trent	55.9
Rotherham	56.5	Barnsley	55.9
Wakefield	56.7	Sunderland	56.1
Sunderland	56.9	Oldham	56.6
Nottingham	57.1	Redcar and Cleveland	56.9
North Tyneside	57.2	South Tyneside	57.3
Salford	57.4	Rochdale	57.4

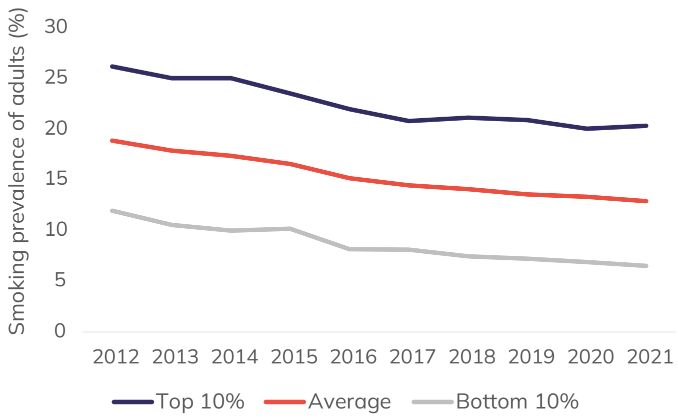
Source: authors analysis of ONS data.

Mission 7 included four supporting metrics:

- Smoking prevalence of adults
- Obesity prevalence – children and adults
- Cancer diagnosis at stages 1 and 2
- Under 75 mortality rates from cardiovascular diseases considered preventable (per 100,000 population).

Although the difference in smoking rates observed between the top 10% and bottom 10% of local authorities has come down since 2012, the effect of Levelling Up funding remains unclear (Figure 29). The measured gap fell from 13.7% in 2019 to 13.1% in 2020 but then rose to 13.8% in 2021.

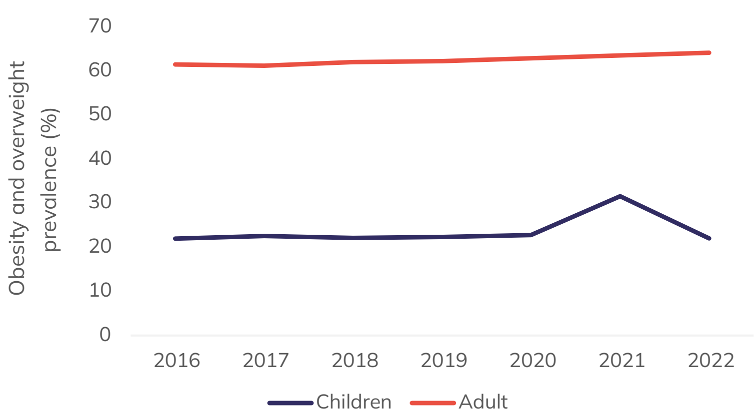
Figure 29 – Smoking prevalence of adults, by local authority group



Source: authors analysis of ONS data.

Meanwhile, obesity in adults has increased since 2017. In the worst-performing local authorities, obesity increased from 70.1% in 2016 to 73.4% in 2022, whereas for the best-performing ones, it had a more modest uplift from 50.3% in 2017 to 51.6% in 2022. In children, the incidence of obesity has not changed much across the same time period, apart from a spike in 2021, likely related to the pandemic and the necessary measures such as lockdowns (Figure 30).

Figure 30 – Obesity and overweight prevalence (percentage of population by age group)

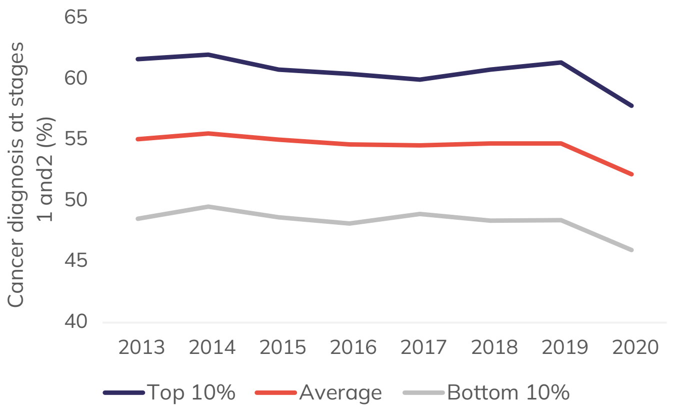


Source: authors analysis of OHID data.

Data on the gap in cancer diagnoses between the top and bottom performing local authorities is mixed. By 2017, the indicator had narrowed by 11% from 13.1% in 2013 but this was due to a decrease in the diagnosis rate at the top decile rather than improvement in the worst performing local authorities (Figure 31). Moreover, even this change was unwound by 2019 when the gap returned to 13%.

Interpreting 2020, the latest year for which data is available, is made difficult by the pandemic which led to the postponement of many screenings. The increased backlog will only have started to abate in 2022 affecting the number of cancer diagnoses.

Figure 31 – Cancer diagnosis at stages 1 and 2, by local authority group



Source: authors analysis of OHID data.

The widening divide between the best and worst performing local authorities on health measures such as HLE and smoking prevalence sends a cautionary message. Public policies should better support places that have fallen behind through targeted interventions and preventative spending. For any future initiatives aimed at reducing regional inequalities, this suggests that the Labour Government should carefully consider how performance gaps are to be narrowed. As evidenced by the Levelling Up agenda, levelling down to achieve key performance indicators (KPIs) will not yield improved societal outcomes.

Mission 8

By 2030, wellbeing will have improved in every area of the UK, with the gap between top performing and other areas closing.

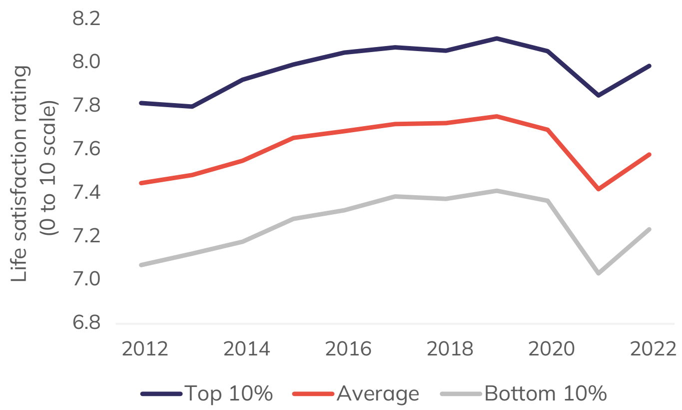
The Levelling Up White Paper listed four headline metrics:

- Average life satisfaction ratings
- Average feeling that things done in life are worthwhile ratings
- Average happiness ratings
- Average anxiety ratings.

Between 2012 and 2019, we observe an improvement across all four indicators. Although there was an across-the-board deterioration during the pandemic, data for 2022 show signs of a recovery (Figures 32 to 35). While there was scope for Levelling Up funds to focus on further reducing the performance gap in wellbeing, reaching the mission's target may have occurred even in the absence of intervention.

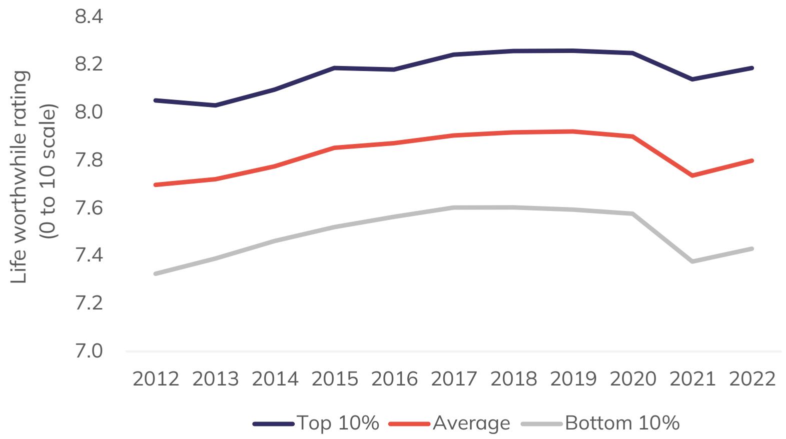
The first three measures of wellbeing saw little change in the gap between the top and bottom 10% of local authorities with the 2022 post pandemic recovery. Anxiety ratings, however, deteriorated, rising from 44% higher in the worst performing authorities in 2021 to 51% in 2022 (Figure 35).

Figure 32 – Life satisfaction rating, by local authority group



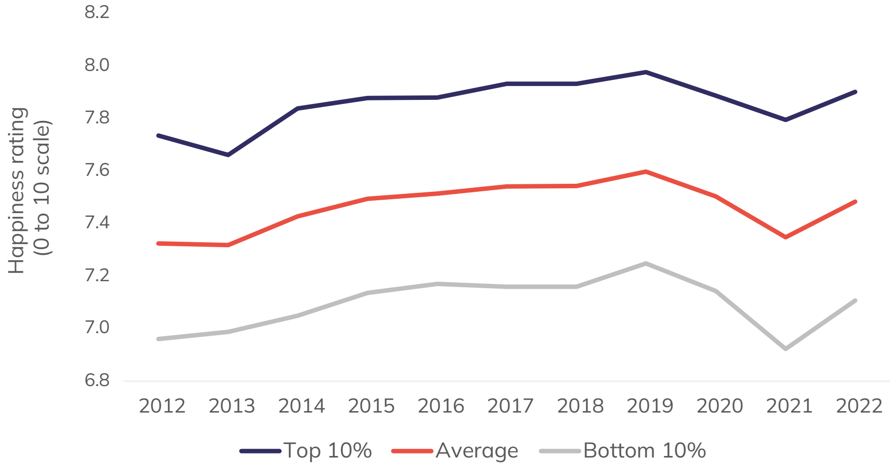
Source: authors analysis of ONS data.

Figure 33 – 'Feeling that things done in life are worthwhile' rating, by local authority group



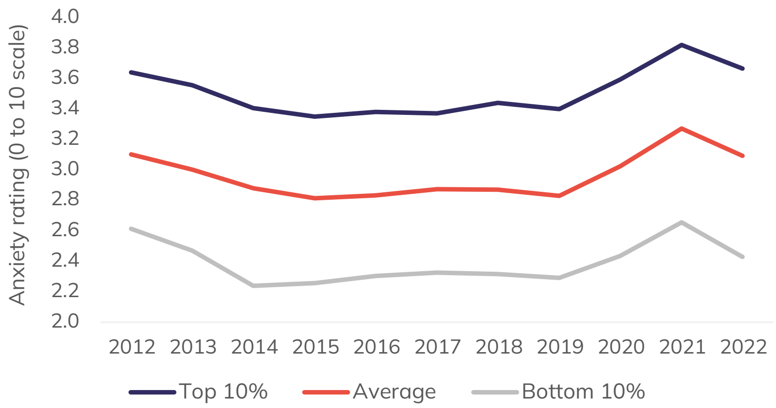
Source: authors analysis of ONS data.

Figure 34 – Happiness rating, by local authority group



Source: authors analysis of ONS data.

Figure 35 – Anxiety rating, by local authority group



Source: authors analysis of ONS data.

Mission 10

By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas. The government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest-performing areas.

This mission had two headline metrics:

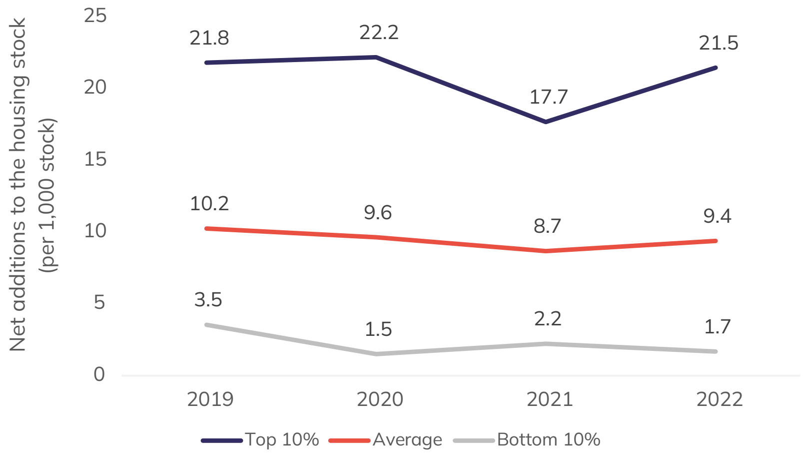
- Proportion of non-decent rented homes
- Number of first-time buyers

and two supporting ones:

- Recent first-time buyers (last three years)
- Net additions to the housing stock.

Of these indicators, only "net additions to the housing stock" is published at the local authority level. The gap in performance between the top and bottom 10% of local authorities shows a concerning divergence. In 2019, the differential in net additions to the housing stock was 18.3 per thousand compared to 19.8 per thousand in 2022 (Figure 36). Moreover, while the top decile had reversed a decline in net additions to the housing stock of 17.7 per thousand in 2021 to 21.5 per thousand a year later, these *fell* to 1.7 per thousand in 2022 for local authorities in the bottom 10% – less than half the net additions delivered in 2019.

Figure 36 – Net additions to the housing stock, by local authority group



Source: authors analysis of DLUHC data.

Key takeaways

As the Levelling Up White Paper underscored, there are numerous ways to track progress on spatial inequalities. The metrics that we have assessed in this section of the report were taken from what had been proposed by the Conservative Government at the time. Invariably, the dynamic nature of funding and policy priorities means that such a list can never be comprehensive or complete. Nevertheless, effective monitoring relies on a starting point from which change can be demonstrated.

Local authorities often take different approaches to delivering services. There may be geographic or other reasons as to why seemingly similar indicators are reported in different ways. Policy makers, and those who analyse the data, must stay attuned to these nuances.

Transparency in how progress is measured, and how funding is allocated to local places, is necessary for accountability. Although data assurance helps build public confidence and trust, timeliness in data reporting can fine tune or course-correct policy direction. Rather than delay information sharing in the aim of perfection, central government should publish data at pace and work with practitioners and researchers to develop robust evidence. This will encourage the monitoring of projects throughout their life cycle rather than an over-reliance on evaluation at the end once outcomes may have already been determined.

A key challenge with subnational data is its availability and comparability across England, let alone the UK. While public bodies such as the ONS and Office for Local Government are investing in data collection and standardised reporting, the lags in publishing data will continue to affect the government's understanding of whether public spending is on track to achieve key milestones. Good value will also be difficult to assess if projects are funded with limited understanding of either their efficiency or effectiveness in delivering particular outcomes. The latter underpins transparency and public trust in government.

The reality is that there will always be room for interpretation. Spatial comparisons exist on a continuum so policy makers will need to embrace a portfolio of indicators to measure success. Near-term indicators should be paired with medium- to longer-term data that can sense-check whether the intentions of public policies have sufficient follow through (see Investing in regional equality – lesson from four cities: metrics and a framework for designing effective policies (CIPFA, 2022).

3. DATA DASHBOARD TOOL

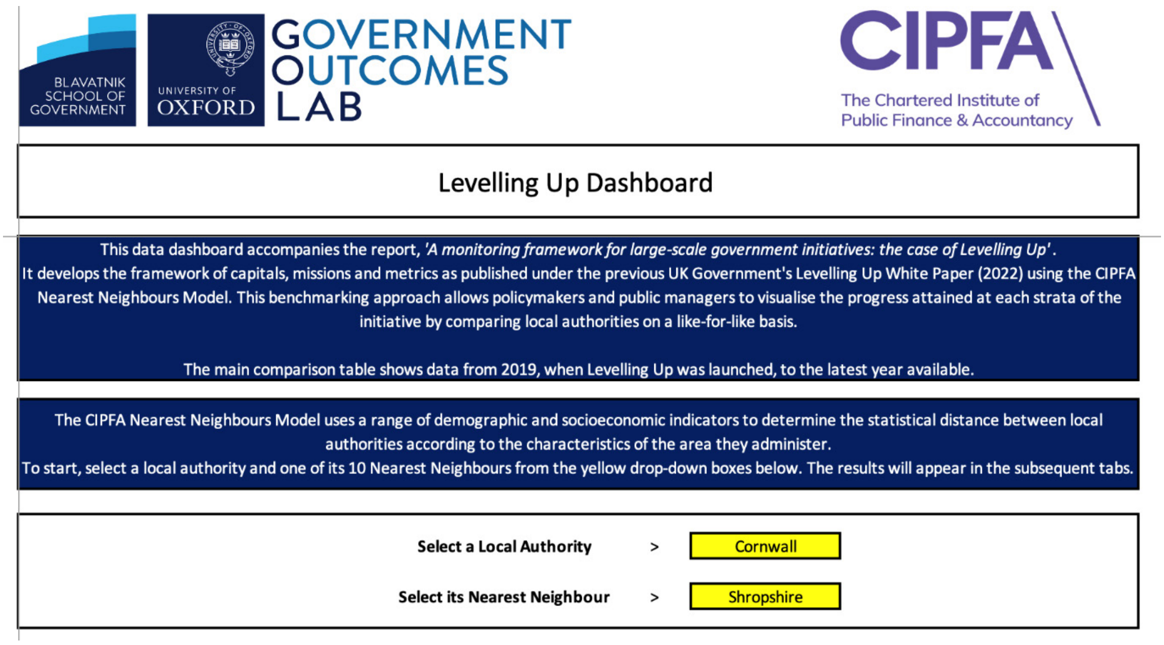
Tracking how each of the socioeconomic indicators outlined in the Levelling Up Agenda evolved over time can help policymakers better understand what works. Granular data showing performance trends over time can facilitate shared learning across councils while allowing central government to allocate funding in a more informed way. In turn, consistent and transparent data can support the delivery of targeted outcomes in a more cost-effective way.

This section includes analysis using the CIPFA Nearest Neighbour Model. The model uses a range of demographic and socioeconomic indicators to determine the statistical distance between local authorities according to the characteristics of the area they administer. In our analysis, local authorities are compared against the 10 councils the model deems most similar – their 'nearest neighbours'. The 40 variables employed in making the assessment cover characteristics such as population, geographical area, density, unemployment, tax base, migration, ethnicity, house banding and business floorspace.

Based on the Levelling Up metrics presented in Table 3, we have developed a dashboard that benchmarks performance data for each council in England with a nearest neighbour, the median of all local authorities in England and the average of the selected authority's ten nearest neighbours. Users are also able to see how the statistical relationship between similar places has changed over time. Although the approach is similar to that used by the UK NAO on the financial sustainability of local authorities, our dashboard benefits from its ability to compare councils on a basis that does not rely solely on tier or geography.

The dashboard can be used in the following way:

1. In the first tab, select two local authorities for comparison:



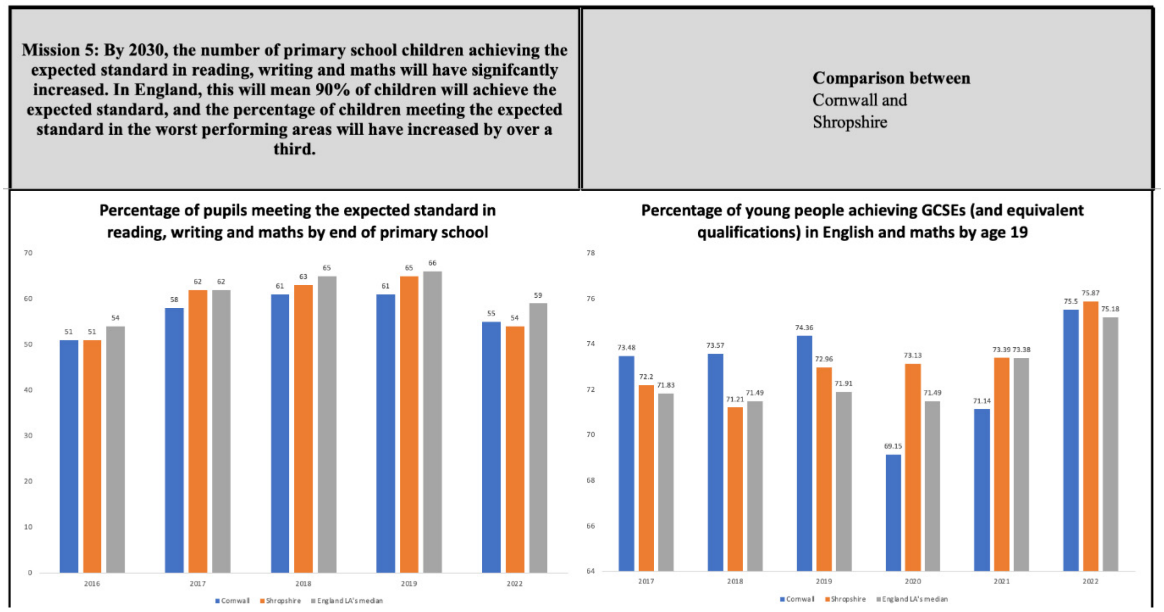
2. In the second tab, data will show how each of the indicators relating to the Levelling Up missions have changed since the policy agenda was launched in 2019:

This table compares the progress achieved on each metrics from 2019 to the latest year available between the selected local authority (LA), Nearest Neighbour (NN), median of all LAs (in England) and average of the NNs (from the list of ten).
Colour-coded performance ratings in each row represent best (Green), worst (Red) and average (Yellow and Orange). NA indicates when data is not available.

Authority 1	**Cornwall**
Authority 2 (selected Nearest Neighbour)	**Shropshire**

Metric	**change from 2019 to latest available year**			
	Cornwall	**Shropshire**	**LA median**	**NN average**
Mission 1: Living Standards				
Gross Value Added (GVA) per hour worked	£1.10	£2.20	£1.50	£2.01
Gross median weekly pay (£)	£82.40	£48.50	£54.60	£59.09
Employment x for 16–64-year olds	0.2%	-1.1%	-0.5%	-1.8%
Gross Disposable Household Income (GDHI)	£68.00	-£208.00	-£12.50	-£168.50
Disability employment rate gap	4.5%	5.2%	-1.7%	-0.1%
Mission 3: Transport Infrastructure				
Percentage of non-frequent bus services running on time	-13.0%	NA	2.0%	1.5%
Average excess waiting time for frequent (bus) services (N)	NA	NA	0.1	
Mission 4: Digital Connectivity				
Percentage of 4G (and 5G) coverage provided by at least one mobile network operator†	0.7%	0.4%	0.0%	0.3%
Percentage of premises with gigabit-capable broadband	11.0%	26.3%	48.3%	36.1%
Mission 5: Education				
Percentage of pupils meeting the expected standard in reading, writing and maths by end of primary school	-6.0%	-11.0%	-6.0%	-8.4%
Percentage of young people achieving GCSEs (and equivalent qualifications) in English and maths by age 19	1.1%	2.9%	3.4%	3.8%
Percentage of schools providers rated good or outstanding by Ofsted	0.5%	-1.1%	2.6%	0.9%
Persistent absences for all pupils	14.4%	13.5%	11.6%	12.4%

3. The subsequent tabs are listed sequentially by Levelling Up mission and visualise how each indicator has changed over time:



Presenting the data in this way allows the user to quickly compare the performance gaps between geographic places and how this may have been affected by initiatives like Levelling Up. This will not necessarily be indicative of the effectiveness of a policy intervention (and its funding) as there are often multiple, interrelating channels that can affect delivery outcomes.

4. BENCHMARKING

This section presents two examples using the data dashboard: Cornwall and Barrow-in-Furness. The two councils were some of largest recipients of Levelling Up funding with an array of projects cited in the White Paper. Furthermore, they are examples of upper and lower-tier authorities located in different regions of the UK.

A. Cornwall

Cornwall is a unitary authority in the South West of England. The county has a population of 575,413 and geographic area of 3,562km^2 (1,375 sq. mi). In the most recent IMD, Cornwall ranked 83rd among 318 lower-tier authorities in England. Cornwall's nearest neighbour, Shropshire, is a unitary authority in the West Midlands with a population of 327,178 and geographic area of 3,487km^2 (1,346 sq. mi). Shropshire ranks 165th in the 2019 index of multiple deprivation.

Cornwall Council was the single largest recipient of Levelling Up funds among local authorities and received £150m from a range of grants. Although at £261 it was not the biggest per capita recipient of funding, the county ranks amongst the top 20. In comparison, Shropshire received £30m or £96.6 per capita.

The Levelling Up White Paper cites the council 21 times with references to its inclusion in the Community Renewal Fund and Project Gigabit. Cornwall was also identified as one of 55 Education Investment Areas targeted with government funds to drive improvements in underperforming schools, support the growth of strong multi-academy trusts and retain high-quality teachers. Other flagship initiatives include:

- Support for the Great South West, a pan-regional partnership that includes the private sector, local authorities, universities, MPs and LEPs.
- A British Business Bank regional investment fund of £200m targeting the contribution of small and medium sized enterprises (SMEs) to economic growth.
- Spaceport Cornwall, a consortium involving £20m of joint funding from the UK Space Agency and Cornwall Council, that works with the private sector to provide a thriving space cluster for innovation.
- The launch of a Superbus network pilot as part of a £220m package from the Department of Transport to support a long-term bus strategy across the UK. The aim is to reduce fares by around 30% during the first phase, under the new Transport for Cornwall brand which brings together all bus operators and the main train operator GWR.
- Participation in the England Coast Path which aims to become the longest managed coastal path in the world by connecting communities from Northumberland to Cornwall.

The diverse range of examples involving the co-design and co-funding of projects and initiatives across a range of partners, including central and local government, suggests a longer-term strategy for growth. To gauge the effect that these funding sources may have had on Cornwall's ability to 'level up,' we apply the Nearest Neighbour framework to each of the metrics discussed in section 2 of this chapter.

Cornwall scores better than both its closest nearest neighbour, Shropshire, and the median English local authority in ten of the 33 indicators for which data is available (Table 9). Although Cornwall is similar to the median local authority as measured by the percentage of pupils meeting the expected standard in reading, writing and maths by end of primary school, the council performed relatively worse than either one (10 metrics) or both (13 metrics) of its comparators. Meanwhile, the data show that Cornwall performed better in areas related to Living Standards (Mission 1) and Health (Mission 7), and less so in Education and Skills (Missions 5 and 6).

Comparing Cornwall and Shropshire, Cornwall's higher total and per capita funding did not provide a clear indication of effectiveness. The mixed results may be due to lags in when (or even how) results materialise or are reported. For example, there could be spillovers that lead to improvements in other missions, suggesting the need for more advanced methods in measuring total outcomes.

Table 9 – Comparison between Cornwall, Shropshire and the median across local authorities in England (difference in value between 2019 and latest year available)

Metric	Metric 2019 – latest change for		
	Cornwall	Shropshire	Median
Mission 1: Living standards			
GVA per hour worked	£1.10	£2.20	£1.50
Gross median weekly pay (£)	£82.40	£48.50	£54.60
Employment x for 16–64-year-olds	0.2%	-1.1%	-0.5%
GDHI	£68.00	-£208.00	-£12.50
Disability employment rate gap	4.5%	5.2%	-1.7%
Mission 4: Digital connectivity			
Percentage of 4G (and 5G) coverage provided by at least one mobile network operator	0.7%	0.4%	0.0%
Percentage of premises with gigabit-capable broadband	11.0%	26.3%	48.3%
Mission 5: Education			
Percentage of pupils meeting the expected standard in reading, writing and maths by end of primary school	-6.0%	-11.0%	-6.0%
Percentage of young people achieving GCSEs (and equivalent qualifications) in English and maths by age 19	1.1%	2.9%	3.4%
Percentage of schools providers rated good or outstanding by Ofsted	0.5%	-1.1%	2.6%
Persistent absences for all pupils	14.4%	13.5%	11.6%
Persistent absences for pupils eligible for free meals	19.0%	20.1%	16.3%
Persistent absences for looked after pupils	6.6%	9.6%	2.6%
Percentage of five-year-olds achieving 'expected level' on communication early learning goals	-1.5%	-1.2%	11.6%
Percentage of five-year-olds achieving 'expected level' on literacy early learning goals	-2.6%	-6.1%	16.3%
Percentage of five-year-olds achieving 'expected level' on maths early learning goals	-0.3%	-2.8%	2.6%
Mission 6: Skills			
19+ Further Education and Skills Achievements (qualifications) excluding community learning, Multiply and bootcamps (N)	-1450.00	390.00	-10
Number of starts on apprenticeships per 1,000	-160.00	-312.00	-127
Number of achievements on apprenticeships per 1,000	-960.00	-600.00	-110
Proportion of the population aged 16–64 with level 3+ qualifications	-1.9%	-1.0%	2.3%
19+ further education and skills participation	-1345.00	-1122.00	-893
Mission 7: Health			
HLE for females	2.81	2.22	0.035
HLE for males	-0.52	-1.78	-0.12
Smoking prevalence in adults	-3.7%	-0.5%	-0.7%

Metric	Metric 2019 – latest change for		
	Cornwall	Shropshire	Median
Obesity prevalence – childhood	-1.4%	0.1%	-0.2%
Obesity prevalence – adult	2.6%	-1.1%	1.9%
Obesity prevalence – young	5.3%	2.8%	3.4%
Cancer diagnosis at stage 1 and 2	-2.6%	-2.7%	-2.7%
Mission 8: Wellbeing			
Average life satisfaction rating	-0.16	-0.21	-0.175
Average life worthwhile rating	-0.18	-0.09	-0.12
Average happiness rating	-0.14	-0.28	-0.12
Average anxiety rating	0.32	0.04	0.3
Mission 10: Housing			
Net additions to the housing stock	-1.69	-2.52	-0.48

(N) Highlights those metrics not published at Spending Review 2021 as part of the government's updated priority outcomes and metrics.

NB a positive value can represent either a performance improvement (eg "Healthy life expectancy for females") or deterioration (eg "average anxiety rating"). To facilitate interpretation, the colour-coding indicates best (green), middle (yellow) and worst (red) performance amongst the three comparators.

Sources: various (see section 2), CIPFAstats.

B. Barrow-in-Furness

Barrow-in-Furness is a port town and civil parish in Cumbria in the North West region of England. The town has a population of 67,375 and geographic area of 77.9km^2 (30.08 sq. mi). It ranks 44th amongst 318 lower-tier English local authorities based on the IMD. Barrow-in-Furness' second-closest nearest neighbour, Hyndburn, is a non-metropolitan district also located in the North West of England. The district has a population of 83,213 and geographic area of 73km^2 (28 sq. mi) and ranks 18th in the IMD.

Barrow-in-Furness was the third largest recipient of Levelling Up funds on a per capita basis with £645 per person. In contrast, Hyndburn received £275 per person, ranking the council 44th. The rationale for selecting Hyndburn instead of Great Yarmouth, which is Barrow-in-Furness' closest nearest neighbour, is because the latter also happens to be one of the largest per capita funding recipients: Great Yarmouth received £552 per capita and ranks 9th in funds per capita received. By comparing the experiences of places with notably different amounts of funding, it may be easier to observe changes in the socioeconomic indicators being tracked given the already limited data availability.

Examples of Levelling Up investments in Barrow-in-Furness include:

- Modernising the Market Hall as part of a £232m investment in the North West.
- The Towns Fund acquisition of key sites for new development to stimulate economic growth and enhance the town centre as part of a broader £486m investment across 20 towns in the North West. Barrow-in-Furness was awarded £25m to fund the following projects:
    - Learning Quarter Project: creation of over 1,700 student places through a new University of Cumbria campus and expanded Furness College, aligned with local employer needs to improve job prospects and business competitiveness.
    - Community Hubs Project: establishment of four centres in key locations, including Ormsgill, Barrow Island, and Barrow town centre, to promote wellbeing and provide accessible services and activities to residents.

- Marina Village Project: development of a vibrant community with 808 new homes near education centres, major employers and local businesses, enhancing Barrow-in-Furness's appeal as a residential area.
- Housing Renewal Project: investment in nearly 300 residential properties and 39 commercial properties to improve living conditions, reduce carbon emissions and enhance perceptions of Barrow-in-Furness as a desirable place to live.
- Walking & Cycling Infrastructure Project: implementation of new dedicated routes to promote active travel, improve health and reduce vehicle emissions, funded by the Active Travel Fund 3 and Brilliant Barrow.
- Place Development Project: investment in public spaces and events to boost local pride, attract visitors and support the economy, including upgrades to the Dock Museum's amphitheatre.
- Earnse Bay Hub Project: creation of an inclusive outdoor hub at Earnse Bay to connect communities with nature and education, promoting health and environmental benefits.
- Business and Enterprise Support Project: development of initiatives to nurture economic growth, encourage entrepreneurship, and support small businesses, with partners like Cumbria Local Enterprise Partnership and Cumbria Business Growth Hub.

The dashboard shows that Barrow-in-Furness has performed better than both Hyndburn and the median local authority in six of the 21 indicators (Table 10). In contrast, the council fell behind either one or both comparators on eight and seven metrics, respectively. At the mission level, Barrow-in-Furness outperforms in areas related to living standards (Mission 1) but less so in digital connectivity and skills (Missions 3 and 6).

Drawing strong conclusions about the effectiveness of Levelling Up funds is hindered by data availability. Many of the indicators are tracked on an annual basis and published with significant lags. Moreover, standardisation with subnational data remains a work in progress. Considering the relatively large amounts of funding allocated to Barrow-in-Furness, the mixed results in the performance to date suggests that (1) it is soon for outcomes to be measured, (2) the challenges that the council faces are more deep-rooted or complex, or (3) spending has delivered relatively low value. What appears evident is that higher per capita funding has correlated with improvements in living standards (Mission 1). Further research will be needed to understand what other enabling factors may be at play.

Table 10 – Comparison between Barrow-in-Furness, Hyndburn and the median across local authorities in England (difference in value between 2019 and latest year available)

Metric	Metric 2019 – latest change for		
	Barrow-in-Furness	Hyndburn	Median
Mission 1: Living standards			
GVA per hour worked	£2.40	£1.10	£1.50
Gross median weekly pay (£)	£31.20	£53.80	£54.60
Employment x for 16–64-year-olds	1.8%	-6.6%	-0.5%
GDHI	£336.00	£250.00	-£12.50
Mission 4: Digital connectivity			
Percentage of 4G (and 5G) coverage provided by at least one mobile network operator	0.0%	0.0%	0.0%
Percentage of premises with gigabit-capable broadband	50.1%	66.6%	48.3%
Mission 5: Education			
Percentage of young people achieving GCSEs (and equivalent qualifications) in English and maths by age 19	3.5%	9.3%	3.4%
Mission 6: Skills			
Number of starts on apprenticeships per 1,000	-129.00	-458.00	-127
Number of achievements on apprenticeships per 1,000	-130.00	-160.00	-110
Proportion of the population aged 16-64 with level 3+ qualifications	0.1%	-6.6%	2.3%
19+ further education and skills participation	-2214.00	-1605.00	-893
Mission 7: Health			
Smoking prevalence in adults	-2.4%	7.4%	-0.7%
Obesity prevalence – childhood	0.2%	-2.5%	-0.2%
Obesity prevalence – adult	1.9%	3.7%	1.9%
Obesity prevalence – young	9.3%	5.3%	1.9%
Cancer diagnosis at stage 1 and 2	-1.5%	-1.4%	-2.7%
Mission 8: Wellbeing			
Average life satisfaction rating	-0.29	-0.70	-0.175
Average life worthwhile rating	-0.56	0.00	-0.12
Average happiness rating	0.23	-0.31	-0.12
Average anxiety rating	1.28	-0.20	0.3
Mission 10: Housing			
Net additions to the housing stock	1.65	1.95	-0.47996

NB a positive value can represent either a performance improvement (eg "Healthy life expectancy for Females") or deterioration (eg "average anxiety rating"). To facilitate interpretation, the colour-coding indicates best (green), middle (yellow) and worst (red) performance amongst the three comparators.

Sources: various (see section 2), CIPFAstats.

5. MONITORING AND EVALUATION

This study is neither a quasi-experimental nor a randomised controlled impact evaluation. The basic premise of the analysis and accompanying dashboard is that by collating and structuring publicly available data around a published framework, we can begin to understand where value is derived. Although the direction and pace of change in some of the metrics within the Levelling Up agenda may indicate progress (or regression), the missions would invariably have been affected by a broader range of factors.

There are data lags to consider as well. Many of the metrics we covered are published annually and with a lag of at least a couple of years. Improvements in areas such as living standards, skills and health often take decades rather than years to manifest which can affect the support for robust evaluations. Policy priorities can change quite noticeably during such intervals as well. One of the first decisions taken by the incoming Labour Government was to rename the DLUHC to its predecessor, the Ministry of Housing, Communities and Local Government – effectively drawing curtains on the Levelling Up initiative.

Nonetheless, there is an appetite for transparency and accountability. Managing the public finances well requires that the government understand how spending affects outcomes. Knowing where money is going, in what quantities and why may seem obvious – and is often assumed – yet this is seldom prioritised. More effort is needed to collect and standardise subnational data, but this should not delay performance tracking such as that presented in our Levelling Up dashboard.

In particular, the government should clarify the funding data by making the amounts awarded each year explicit. As good practice, funds distributed prior to a policy's inception should not be included within the spending envelope. Moreover, the sums allocated to local authorities should be reported in a detailed and timely way. Where possible, the award criteria, grading and results should be published, including the summary details of unsuccessful bids.

Public policies that target overarching themes such as spatial inequalities are prone to 'definition creep'. This is where clear guidance on applicable funding sources can facilitate the creation of a centralised M&E framework, connecting the M&E of each fund (as presented in Table 2) to the changes observed in the targeted metrics. Ideally, the aim would be to develop a template that could be embedded across all major government initiatives.

Lastly, in the M&E process, sociodemographic controls should be used to avoid comparing geographically proximate but otherwise dissimilar councils. As demonstrated through our data dashboard, it is possible to use tools like the CIPFA Nearest Neighbours Model as a means for benchmarking across a range of indicators.

VI. Conclusion

Addressing regional inequalities is a public policy priority for many countries, and Levelling Up serves as the most recent case study in the UK's approach to this issue. Despite the initiative's praiseworthy goals, the Conservative Government had faced ongoing criticism for the lack of transparency and robustness in its delivery. This report assesses the approach and effectiveness of the Levelling Up agenda until it was formally closed on 8 July 2024, focusing on the distribution of funds and outcomes achieved across local authorities in England.

In response to the relative lack of M&E of large-scale and complex initiatives in the UK, we have developed a structured framework for data analyses with proposed methods for benchmarking. Although the results within this report are specific to Levelling Up, the approach can be adapted to a range of policy areas with medium to longer-term investment horizons. For example, the gap in best and worst local authority performance deciles can be calculated by tracking the average change in outcomes across a range of indicators. Utilising the CIPFA Nearest Neighbours Model enhances the analysis by controlling for sociodemographic factors that allow for more relevant like-for-like comparisons.

Fragmented funding challenges the government's ability to evaluate value for money in public spending. Competitive bidding by local authorities for numerous small and short-term pots of money can perversely benefit larger or better resourced councils, thereby amplifying pre-existing inequalities. In the case of Levelling Up, we have mapped publicly available data on grant funding with the missions and metrics as outlined in the White Paper published in 2022.

A key finding is that funding, encompassing rounds 1 and 2, was primarily targeted at more deprived local authorities. Round 3 followed a similar geographic distribution but with a slight pivot towards less deprived councils. This shift in prioritisation, led by innovation and productivity concerns, is crucial to understanding the extent to which Levelling Up was effective.

The analysis in this report highlights a widening gap in productivity, health and education between the best and worst-performing local authorities. In contrast, the Levelling Up missions related to digital connectivity and wellbeing were on-track and progressing towards their goals. While funding alone may not resolve the disparities between places, the lack of adequate resourcing can lead to knock-on effects that negatively affect financial resilience within an organisation.

Although it may be too soon to make a final judgement on the success of Levelling Up, this report has developed a simplified framework for M&E investments that have started to produce results. Given the data limitations, particularly at a subnational scale, and the short timeframe since the initiative's inception, the analysis constitutes a starting point and lower bound against which to evaluate the listed metrics.

The design of any flagship policy agenda should by default include a comprehensive review of relevant metrics, improved transparency in funding data and the establishment of a centralised M&E framework. Such a system would be significantly augmented by the dashboard proposed within this report, allowing for more detailed data analyses at the level of wards or constituencies. The application of the CIPFA Nearest Neighbours Model and scorecards are key recommendations from this study, aiming to enhance future assessments with a focus on greater precision, transparency and accountability.

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Annex

Table 11 – Levelling Up Metrics

Metric	Geographical coverage and source	Source
Mission 1		
GVA per hour worked	UK, countries and regions	ONS
Gross median weekly pay (£)	UK, countries and regions	ONS
Employment x for 16–64-year-olds	UK, countries and regions	ONS
GDHI	UK, countries and regions	ONS
Proportion of jobs that are low paid	UK, countries and regions	ONS
Participation rate	UK, countries and regions	ONS
Disability employment rate gap	UK, countries and regions	ONS
Proportion of children in workless households	UK, countries and regions	ONS
Proportion of employed people in skilled employment (SOC 1-3, 5)	UK, local authority	ONS
Total value of UK exports	UK, countries and regions	ONS
Mission 2		
Business expenditure on R&D	UK, countries and regions	ONS
Government funding for R&D	UK, countries and regions	BEIS
Percentage of businesses that are innovation active	UK, countries and regions	BEIS
Inward and outward foreign direct investment (FDI)	UK, countries and regions	ONS
Mission 3		
Usual method of travel to work by region of workplace	Great Britain, countries and regions	DfT
Average travel time in minutes to reach nearest large employment centre (500 + employees)	England, local authority	DfT
Percentage of non-frequent bus services running on time	England, local authority	DfT
Average excess waiting time for frequent (bus) services	England, local authority	DfT
Public transport trips as a proportion of total trips per year	England, regions	DfT
Mission 4		
Percentage of premises with gigabit-capable broadband	UK, local authority	OFCOM
Percentage of 4G (and 5G) coverage provided by at least one mobile network operator	UK, local authority	OFCOM
Mission 5		
Percentage of pupils meeting the expected standard in reading, writing and maths by end of primary school	England, local authority	DfE
Percentage of young people achieving GCSEs (and equivalent qualifications) in English and maths by age 19	England, local authority	DfE
Percentage of schools' providers rated good or outstanding by Ofsted	England, local authority	DfE
Persistent absences for all pupils and disadvantaged and vulnerable cohorts of children	England, local authority	DfE
Percentage of five-year-olds achieving 'expected level' on literacy, communication and maths early learning goals	England, local authority	DfE
Mission 6		
19+ Further Education and Skills Achievements (qualifications) excluding community learning, Multiply and bootcamps	England, local authority	DfE
Number of starts, and achievements, on apprenticeships per 1,000	UK, local authority	DfE

Metric	Geographical coverage and source	Source
Proportion of the population aged 16–64 with level 3+ qualifications (N)	UK, local authority	ONS
19+ further education and skills participation	England, local authority	DfE
Mission 7		
HLE	UK, local areas	ONS
Smoking prevalence in adults	Great Britain, local authority	ONS
Obesity prevalence – childhood and adult	UK, local authority	NHS England, Scottish Government, Public Health Wales, NI Department for Health
Cancer diagnosis at stage 1 and 2	Great Britain, various geographical levels	NHS England, Public Health Scotland, Public Health Wales
Under 75 mortality rate from cardiovascular diseases considered preventable (per 100,000 population)	England, local authority	DHSC
Mission 8		
Average life satisfaction ratings	UK, local authority	ONS
Average feeling that things done in life are worthwhile ratings	UK, local authority	ONS
Average happiness ratings	UK, local authority	ONS
Average anxiety ratings	UK, local authority	ONS
Mission 9		
Percentage of adults who are satisfied with their local area as a place to live	Great Britain, countries and regions	DCMS
Percentage of individuals who have engaged in civic participation in the last 12 months	Great Britain, countries and regions	DCMS
Mission 10		
Proportion of non-decent rented homes	England, regions	DLUHC
Number of first-time buyers	England, regions	DLUHC
Recent first-time buyers (last three years)	England, London and rest of England	DLUHC
Net additions to the housing stock	England, local authority	DLUHC
Mission 11		
Neighbourhood crime	England and Wales, Police Force Areas	ONS
Homicide	England and Wales, Police Force Areas	ONS
Hospital admissions for assault with a sharp object amongst under-25s	England, Police Force Areas	NHS Digital
Mission 12		
Per cent of the population living in an area covered by the highest level of devolution	England, various geographical locations	ONS

Table 12 – Levelling Up funding sources

Fund name	Link for more information
Community Ownership Fund	www.gov.uk/government/publications/community-ownership-fund-prospectus/ community-ownership-fund-prospectus--2
Future High Streets Fund	www.gov.uk/government/collections/future-high-streets-fund
Towns Fund	www.gov.uk/government/collections/towns-fund
Levelling Up Fund	www.gov.uk/government/publications/levelling-up-fund-round-2-prospectus
UK Shared Prosperity Fund	www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/ uk-shared-prosperity-fund-prospectus
Community Renewal Fund	www.gov.uk/government/publications/uk-community-renewal-fund-prospectus
Getting Building Fund	www.gov.uk/guidance/getting-building-fund
Local Growth Fund	www.gov.uk/government/collections/local-growth-deals
Freeports	www.gov.uk/government/publications/uk-freeports-programme-annual – report-2022/ uk-freeports-programme-annual-report-2022
Investment zones	www.gov.uk/government/publications/investment-zones
English city region capital regeneration funding	www.gov.uk/government/publications/english-city-region-capital – regeneration-funding
Transforming Cities Fund	www.gov.uk/government/publications/apply-for-the-transforming-cities-fund

About the authors

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CIPFA is a UK-based international accountancy membership and standard-setting body. CIPFA is the only such body globally dedicated to public financial management.

GO Lab is a research and policy centre based in the Blavatnik School of Government, University of Oxford. GO Lab investigates how governments partner with the private and social sectors to improve social outcomes.

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