

Northern Ireland Affairs Committee

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Robin Walker MP
Minister of State, Northern Ireland Office
(By email)

11 January 2021

UK Shared Prosperity Fund

Dear Robin,

Thank you for your letter of 21 December 2020, responding to my correspondence to the Secretary of State regarding the UK Shared Prosperity Fund. I am grateful for the information you have provided.

However, as a Committee we feel that, despite the announcements made by the Chancellor of the Exchequer in the Spending Review, there is still a significant lack of information on how the UK SPF will operate. Gaps remain in key areas, leading to considerable uncertainty and anxiety for stakeholders in Northern Ireland – and elsewhere in the UK – who remain in the dark. We understand, for example, that Invest Northern Ireland does not know its budget until the Shared Prosperity Fund is finalised.

Therefore, can I ask that you provide clarity on the following questions as soon as possible:

- How much will Northern Ireland receive in SPF funding this year? Will there be any gap in funding?
- What is Northern Ireland's allocation of the £220m of interim funding mentioned in the Spending Review and how was this calculated?
- What guarantees can you make that Northern Ireland will not end up worse off as a result of the switch to the SPF? Despite previous pledges, the UK Government now appears to be promising to match EU receipts 'UK-wide' rather than on an individual nation basis.
- What is meant by the mention of "pilot programmes and new approaches" in the Spending Review? Do current recipients of EU funding stand to lose out?
- On what date will full details of the UK-wide investment framework, promised in the Spending Review for Spring 2021, be announced?
- Will there be a system of match funding, similar to that under the EU Structural Funds?
- The draft Heads of Terms for the Shared Prosperity Fund, contained in the Spending Review, were silent about any potential role for the devolved administrations. How will they be involved in the delivery of the Fund? Is it the UK Government's intention to administer it centrally and, if so, how does this fit with the devolution settlement?
- Can you confirm exactly which of the EU funding schemes the SPF is set to replace? Details given in the Spending Review seem to suggest only the European Regional Development Fund and the European Social Fund. What arrangements are in place for replacing other European

funding schemes that have not already been subject to announcements from the UK Government?

I would be grateful for a response to the above points as soon as possible. It would also be helpful to know what engagement the UK Government has had with the Northern Ireland Executive in the run up to, and following, the Spending Review, as well as the nature of ongoing engagement with stakeholders regarding the Shared Prosperity Fund. I'm sure you'll agree it is paramount that the needs of Northern Ireland are fully realised, particularly as the COVID pandemic continues to have such a profound economic and social effect.

I look forward to your reply.

Yours ever,

A handwritten signature in dark ink, appearing to read 'Simon Hoare', with a stylized, sweeping flourish at the end.

Simon Hoare MP
Chair, Northern Ireland Affairs Committee