



**NORTHERN IRELAND
ASSEMBLY**

Committee for the Economy

Llyr Gruffydd MS
Chair
Finance Committee
(Via email)

14th December 2020
Our Ref.: EC284/20

Dear Llyr,

Re: Shared Prosperity Fund

At its meeting on the 9th December 2020, Members of the Committee for the Economy discussed the announcements made thusfar regarding the UK Shared Prosperity Fund, which will be tasked to support people and communities, opening up new opportunities and spurring regeneration and innovation.

In November the Chancellor announced that £220m will be allocated in 2021-22 to help local areas prepare for the introduction of the SPF. As the withdrawal agreement between the UK and the EU keeps structural funding until the end of 2020, after which funding that has already been agreed will continue to be paid, but no more applications for funding can be made. However the Chancellor also announced that total domestic UK-wide funding will at least match EU receipts which is on average £1.5 billion a year.

The Committee has heard concerns from a range of stakeholders that the UKSPF will not fully or appropriately replace the monies that they have been able to draw down from EU social and structural funds. Members also have questions about how the Fund will operate, and whether allocations will be competitive, criteria-based, and whether the Fund will be allocated for each region of the UK based on its population.

As you will be aware, NI has generally received a higher proportion of EU funds coming to the UK than it would if allocations were based on its population within the UK. There are obviously questions around how far the Fund and its operation will be devolved to the DAs, with the information announced on the Fund at this point suggesting that the UK Government will have a key role in deciding how and where the Fund is applied.

The Committee agreed that I should write to Committees in Wales and Scotland to seek your views on the information that is currently available on the Fund and any other issues you might have identified.

I look forward to a response at your earliest convenience.

Yours Sincerely,

CArchibald

**Dr Caoimhe Archibald MLA
Chairperson
Committee for the Economy**