



Ministry of Housing,
Communities &
Local Government



Department for
Business, Energy
& Industrial Strategy

UK Shared Prosperity Fund

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Future of Local Growth Funding

The Conservative Party Manifesto committed to creating a “UK Shared Prosperity Fund, specifically designed to **reduce inequalities between communities** across our four nations.”

The Industrial Strategy White Paper, published in 2017, set out a commitment to **tackle the challenges of low productivity and inequality** in the UK and **the importance of places** in meeting these challenges.



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Future of Local Growth Funding & UKSPF Overview

On 24 July 2018 an **update on implementing the Industrial Strategy** was tabled in the House of Commons by the Secretary of State for Housing, Communities and Local Government. It included:

- The publication of the LEP review
- Announcements on Local Industrial Strategies
- An update on progress of UKSPF. Including:
 - The objective of the UKSPF
 - A simplified, integrated fund
 - UKSPF in devolved nations
 - A national framework in England that works for local priorities



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Local Enterprise Partnerships & Local Industrial Strategies

In July 2018 the government published 'Strengthened Local Enterprise Partnerships' which sets **out how the government and LEPs will work together to:**

- Strengthen leadership and capability
- Improve accountability
- Manage risk
- Provide clarity on geography

We remain committed to ensuring full implementation of all recommendations by all LEPs as we look towards the introduction of Local Industrial Strategies and the UKSPF.



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Local Enterprise Partnerships & Local Industrial Strategies

The government has confirmed it will **work in partnership with all Mayoral Combined Authorities (MCAs) and LEPs in England to develop Local Industrial Strategies (LIS)**. They will be developed locally and agreed with government.

Key progress has been made on Local Industrial Strategies in the past year including:

- Strong progress with the trailblazers.
- In July the second wave of LIS were announced.
- In October we published a Local Industrial Strategies policy prospectus to inform locally-led work.
- In December the government confirmed that we will work with all remaining LEPs/MCAs to develop their LIS.



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'No deal' and the HMG Guarantee

In November the UK reached an agreement with the EU on a proposed deal for our departure from the EU.

The Withdrawal Agreement between the UK and EU confirms **the UK will participate in all EU programmes financed by the Multiannual Financial Framework (MFF) 2014-2020 until their closure.**

Preparing for no deal and the HMG Guarantee

- In October 2016 the government guaranteed the full 2014-2020 European Structural and Investment Funds (ESIF) allocation.
- In July 2018 the government extended the HMG guarantee to cover the full 2014-20 programme period.
- If the guarantee is required in a no-deal situation communities will continue to receive the same level of funding as they would have if the UK was a member state, benefiting from the vital jobs and growth opportunities that these programmes support.



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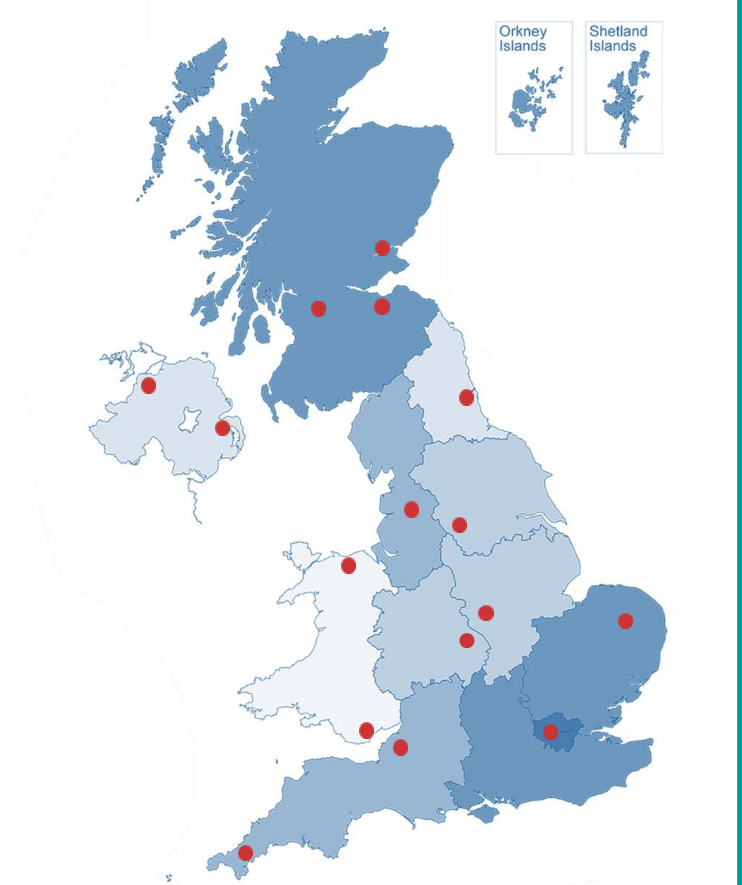
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Engagement Events

Over the past year we have held **23 engagement events across the UK**;

- During Summer and Autumn 2018, government officials held events in every region of England.
- Including the **South East England Event, London, 5th September 2018.**

We have two future engagement events in Inverness and Edinburgh.





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Engagement Events

Key Messages

- Greater flexibility:
 - Overall flexibility of fund to respond to challenges.
 - Length of funding programme.
 - Match funding.
- Single fund.
- Balance of national and local control.
- Encourage collaboration across boundaries.
- Streamline Bureaucracy.



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Engagement Events: South East England 5th September 2018

There were a number of **regional messages from our South East** event, including:

- Collaboration encouraged to avoid project duplication.
- Better methods to engage and incentives SMEs.
- Encourage and incorporate foreign investment.
- UKSPF should be marketed as a 'brand new' fund.
- Include evidence that lessons have been learned from past funding programmes.



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Engagement and Consultation

Our **consultation will build upon the conversations** we have had during our engagement events.

We **recognise the importance of reassuring local areas on the future of local growth funding** once we have left the European Union and providing clarity on the UK Shared Prosperity Fund.

We intend to **launch our public consultation shortly**.

- We encourage all of you and all interested parties across the country to input their views during the consultation.