



<b>Subject:</b>	Response from Minister of Finance, Mr Conor Murphy MLA, re Shared Prosperity Fund
<b>Date:</b>	11th October, 2022
<b>Reporting Officer:</b>	David Sales, Director Neighbourhood Services, CNS
<b>Contact Officer:</b>	Sara Steele, Democratic Services Officer

<b>Restricted Reports</b>	
<b>Is this report restricted?</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>If Yes, when will the report become unrestricted?</b>	
<b>After Committee Decision</b>	<input type="checkbox"/>
<b>After Council Decision</b>	<input type="checkbox"/>
<b>Some time in the future</b>	<input type="checkbox"/>
<b>Never</b>	<input type="checkbox"/>

<b>Call-in</b>	
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	To note the correspondence received from Minister of Finance regarding the Shared Prosperity Fund.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to <ul style="list-style-type: none"><li>Note the correspondence as set out in the report.</li></ul>

<b>3.0</b>	<b>Main report</b>
	<p data-bbox="272 226 421 255"><u>Key Issues</u></p> <p data-bbox="165 327 1469 607">3.1 The Committee will recall that, at its meeting on 13th September, 2022, it had considered a report in regard to Community Funding. The Committee agreed that a letter be forwarded to the Communities, Economy and Finance Ministers seeking them to engage with the British Government as a matter of urgency to release details around the Shared Prosperity Fund, how it would work and to establish whether the available funding would be an adequate substitute for the European Social Fund.</p> <p data-bbox="165 678 1469 808">3.2 Subsequently, the Committee had written to the Ministers. As the Minister of Finance leads on this area of work on behalf of the Northern Ireland Executive he had replied directly on behalf of all the Ministers.</p> <p data-bbox="165 880 1469 1061">3.3 In the correspondence the Finance Minister noted that the SPF was a regular topic for discussion in his engagement with British and Devolved Government Ministers. He stated that he continued to raise his concerns with SPF and to seek clarity and information on this fund directly with British Ministers.</p> <p data-bbox="165 1133 1469 1364">3.4 The Minister outlined that the North's allocation from the Shared Prosperity Fund was just under £127m over three years £19m in year one, £33m in year two and £74m in year three. Under the 2014-2020 EU Multi-Annual Financial Framework an average of £64m per year had been received from equivalent EU funds generating a minimum loss of close to £65m over the three-year period before factoring in inflation.</p> <p data-bbox="165 1435 1469 1617">3.5 He continued that this significantly lower level of funding lacked any flexibility and was not being provided to the Assembly or Executive to support those activities previously funded through the European Social Fund (ESF) but would be delivered directly by Whitehall risking a significantly reduced impact.</p> <p data-bbox="165 1688 1469 1870">3.6 He advised that the DLUHC had established a Partnership Group, which included a representative from Belfast City Council, for the development of a local investment plan for the SPF. He stated that the Executive Departments had been unable to participate in these structures as no decision-making role had been provided for the Executive and Assembly.</p>

3.7	<p>He concluded by advising that he would not stand in the way of funding flowing and undertook to continue to seek information on the SPF and to represent the concerns of those who had previously benefited from EU Funding to British Ministers. He stated that he had also instructed his officials to continue to engage with the DLUHC to seek detail on this fund and to try to find a path that would maximise the benefit for citizens here.</p> <p><u>Financial and Resource Implications</u></p>
3.8	<p>None associated with this report.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p>
3.9	<p>None associated with this report.</p>
<b>4.0</b>	<b>Appendices – Documents Attached</b>
	Appendix 1 - Response from the Minister of Finance