Minister for Trade, Investment and Innovation Ivan McKee MSP



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Luke Hall, MP Minister of State for Housing, Communities and Local Government 2 Marsham Street. Westminster London SW1P 4DF

15 October 2020

Dear Luke,

UK SHARED PROSPERITY FUND (UKSPF) - ENGAGEMENT BETWEEN THE SCOTTISH AND UK GOVERNMENT

I was disappointed to receive a note from your Private Office earlier today, cancelling plans for us to meet to discuss the development of the UK Shared Prosperity Fund. As you know. I have repeatedly raised concerns, with both yourself and your predecessor, regarding the lack of engagement at Ministerial and official level on this matter, therefore it is unacceptable that our meeting has been cancelled again with no option to reschedule.

The European Structural Funds which the UKSPF is set to replace, have played a vital role for many years in supporting Scotland's economic and social policy aims. The Scottish Government have over the last year been gathering the views of stakeholders to produce recommendations for the UKSPF which meet Scotland's distinctive needs.

We have been clear from the start of this process, that responsibility for all future replacement funding must be fully devolved so that the Scottish Government can target them in a manner that suits the specific needs of Scotland's people, communities and businesses. Therefore keeping the Scottish Government and the other Devolved Nations at arm's length from the development of the UKSPF is both counterproductive and potentially detrimental to the future success and impact of the Fund.

We already know that the proposed UK Internal Market Bill would take a wrecking ball to devolution and the Scottish Parliament supports the Scottish Government in not giving consent to that bill, including any implications for any successor scheme to the European structural funds. More broadly, in order for any future funding regime to have legitimacy, it must be legally and constitutionally sound and will require a legislative approach which fully respects the devolution settlement and the role of Scottish Ministers. We will be unable to ensure this is the case without regular and respectful 4-nation and bilateral engagement.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot







I therefore ask that our meeting be reinstated as a matter of urgency to ensure Scotland's needs are reflected in the ongoing development of the UKSPF ahead of the upcoming Comprehensive Spending Review.

I look forward to receiving your early response and to speaking with you soon.

Yours sincerely,

IVAN MCKEE







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