

From: [McAvenue K \(Karen\)](#) on behalf of [RED Deputy Director](#)
To: [REDACTED]
Subject: FW: IMSC - Wednesday 23rd March Agenda and Paper
Date: 22 March 2022 11:26:54
Attachments: [IMSC - Approach to UK Legislation and Future Ways of Working Paper.docx](#)
[2022-03-03 - IMSC Agenda \(1\).docx](#)

FYI

Karen McAvenue

Hybrid working – contact me on [REDACTED]

Head, Regional Economic Development

REDD@gov.scot

SG Directorate for Economic Development

Tel: 0131 2 [REDACTED] Mob: [REDACTED]

From: PSMichaelGove <PSMichaelGove@levellingup.gov.uk>
Sent: 21 March 2022 13:45
To: 'firstminister@gov.scot'; 'deirdre.griffith@executiveoffice-ni.gov.uk'; 'donal.moran@executiveoffice-ni.gov.uk'; 'Secretary.State@ukgovwales.gov.uk'; Sue Gray (Cabinet Office) <sue.gray@cabinetoffice.gov.uk>; PSSueGray <pssuegray@cabinetoffice.gov.uk>; Keelan Carr <Keelan.Carr@levellingup.gov.uk>; 'Reynor, Stephanie' <Stephanie.Reynor@executiveoffice-ni.gov.uk>; Jack Rampling <jack.rampling@levellingup.gov.uk>; 'PSCGMC@gov.wales' <PSCGMC@gov.wales>; Deputy First Minister and Cabinet Secretary for Covid Recovery <DFMCSCR@gov.scot>; 'secretaryofstate@ukgovscotland.gov.uk' <secretaryofstate@ukgovscotland.gov.uk>; 'sos.lewis@nio.gov.uk' <sos.lewis@nio.gov.uk>; 'PS.FirstMinister@gov.wales' <PS.FirstMinister@gov.wales>
Cc: DiaryMichaelGove <DiaryMichaelGove@levellingup.gov.uk>; PSMichaelGove <PSMichaelGove@levellingup.gov.uk>
Subject: IMSC - Wednesday 23rd March Agenda and Paper

Good afternoon all,

Please find attached the agenda and paper for discussion at the first IMSC meeting on Wednesday 23rd March, 16:30 – 18:00.

Many thanks,

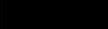
[REDACTED]

From: [DCLGMIN](#)
To: [First Minister](#)
Cc: [EEMA_NO'Brien](#); [PSSueGray](#); [Will Garton](#); [PSNeilO'Brien](#); [PSMichaelGove](#); [DCLGMIN](#)
Subject: UK Shared Prosperity Fund Prospectus
Date: 13 April 2022 16:24:01
Attachments: [image001.png](#)
[UKSPF letter to FM Scotland.pdf](#)

Please see the attached correspondence from Michael Gove (DLUHC) and Alister Jack (SO) to Nicola Sturgeon MSP dated **13 April** on the above subject.

Thank you,



Correspondence Team
Fourth Floor SE, Fry Building, 2 Marsham Street, London SW1P 4DF
E:  [@levellingup.gov.uk](mailto:levellingup.gov.uk)

From: Claire Pattullo <claire@edinburghsocialenterprise.co.uk>

Sent: 28 February 2022 14:55

To: Lochhead R (Richard), MSP <Richard.Lochhead.msp@parliament.scot>

Subject: UK Shared Prosperity Fund and the Levelling Up agenda: letter from the Just Transition, Employment and Fair Work Minister - gov.scot

Hello Richard

I am CEO of Edinburgh Social Enterprise Network, a partner in Edinburgh's Third Sector Interface (TSI). I am also Chair of Edinburgh and South East Scotland City Region deal (ESES CRD) Regional Enterprise Council and member of ESES CRD Joint Committee, where I represent the interests of social enterprise and the wider third sector at a regional level. I was in a meeting this morning with TSI colleagues from across the country to discuss the implications on TSIs of the pre-launch guidance for the UKSPF, including how funds might be disbursed and which stakeholders might be involved.

I came across your letter to Luke Hall MP, Minister of State for Housing, Communities and Local Government, dated 2 July 2021. We were particularly interested in your comments re "*...In our report we considered that the Regional Economic Partnership areas across most of Scotland would be the most appropriate grouping,*" and "*Regional governance structures are already in place across most of the country, and they have proven themselves to be effective through the development of City Region and Regional Growth Deals that are co-funded by the Scottish and UK Governments*". The TSI Network Scotland wish to ensure that the interests of social enterprise, volunteering, the wider third sector, along with the communities we support are adequately represented in whatever structure is agreed and would seek support from Scottish Government in this ask. Within ESES CRD the Social Enterprise Networks and Third Sector Interfaces have worked hard with CRD colleagues to ensure representation at the highest levels of decision making and we wish to build on this good practice both at regional level and across the country.

I realise that your letter was sent some time ago and there may have been developments which we would be interested to hear. Can you advise if you received a reply and if so, are you able to share this, or pertinent sections, with us please? If you are available, we would welcome a call with yourself to discuss further.

Best wishes

Claire

Claire Pattullo

Chief Executive

Edinburgh Social Enterprise

Edinburgh Social Enterprise

www.edinburghsocialenterprise.co.uk

T: 0131 24 [REDACTED]

m: [REDACTED]

claire@edinburghsocialenterprise.co.uk

Edinburgh Social Enterprise Network is a Community Benefits Company (2726RS) and a charity registered in Scotland (SC044030)

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DM/KH

Richard Lochhead MSP
Minister for Just Transition, Employment and Fair Work
MinisterJTEFW@gov.scot

6 May 2022

Dear Minister

Impact of Citizens Advice network in Scotland

I am writing to thank you for sharing our concerns about the UK Shared Prosperity Fund in a Scottish Parliament debate on 27 April 2022, and to request a follow up meeting on the issue.

At Citizens Advice Scotland we believe the fund could be an opportunity to build community wealth and increase opportunities in communities across Scotland, however it's proposed structure will effectively exclude national voluntary network organisations from accessing funding directly.

We believe that's a missed opportunity for people in communities across Scotland. Our network is worth up to £245million in net benefits to Scottish society and building the capacity of CABs to give people their free, impartial and confidential advice would make a real difference in terms of achieving better outcomes for people in communities across Scotland. This briefing covers the value of our work in more detail.

As you'll see, CABs deliver life-changing results for people. One in five people who come to the network for advice see some sort of financial gain, and the average value of those gains is over £4,400. This comprises things like social security payments and employment entitlements.

In terms of scale the network helped over 171,000 people last year, and 2.5 million people checked our online advice and information. There is a CAB in 29 of Scotland's 32 local authorities and we deliver services to people in every local authority in the country. This is a service powered by volunteers, but it opens up opportunities for people as well, with roughly a third of our volunteers going on to paid employment or further education. This number will be even higher when we consider the amount of volunteers we have of retirement age.

We'd be grateful for a meeting to further discuss our concerns around the UK Shared Prosperity Fund, and how the network can work with you to help achieve better outcomes for the people of Scotland

Yours sincerely



Derek
Chief Executive Officer

From: [REDACTED] on behalf of Minister for Just Transition,
Employment & Fair Work
Sent: 06 May 2022 11:54
To: Public Engagement Unit
Cc: Minister for Just Transition, Employment & Fair Work
Subject: FW: Correspondence for the attention of Richard Lochhead
regarding UK Shared Prosperity Fund
Attachments: Letter to Richard Lochhead 060522.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: [REDACTED] MICASE

MR please.

From: Derek Mitchell <Derek.Mitchell@cas.org.uk>
Sent: 06 May 2022 11:45
To: Minister for Just Transition, Employment & Fair Work <MinisterJTEFW@gov.scot>
Subject: Correspondence for the attention of Richard Lochhead regarding UK Shared Prosperity Fund

Good afternoon

Please find attached correspondence from Derek Mitchell, CEO of Citizens Advice Scotland.

Kind regards

[REDACTED]

Derek Mitchell-CEO

Citizens Advice Scotland, Broadside, 2 Powderhall Road, Edinburgh EH7 4GB

[REDACTED]

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Scottish Association of Citizens Advice Bureaux - Citizens Advice Scotland. Registered in Scotland No. 89892. Scottish Charity No. SCO16637
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Ministry of Housing,
Communities &
Local Government

Shona Robison MSP
Cabinet Secretary for Social Justice,
Housing and Local Government
Scottish Government
St. Andrews House
Edinburgh
EH1 3DG

Rt Hon Robert Jenrick MP

*Secretary of State for Housing, Communities and Local
Government*

**Ministry of Housing, Communities and Local
Government**

Fry Building
2 Marsham Street
London
SW1P 4DF

Tel: 0303 444 3450

Email: robert.jenrick@communities.gov.uk

www.gov.uk/mhclg

24 June 2021

Dear Shona

**INTERMINISTERIAL GROUP FOR HOUSING, COMMUNITIES AND LOCAL
GOVERNMENT**

I would like to congratulate you on your appointment as Cabinet Secretary for Social Justice, Housing and Local Government, following the elections to the Scottish Parliament in May. As we emerge from the pandemic, and in recognition of our shared interest in serving our communities and promoting the well-being of citizens, I hope that we can work together to address the challenges faced by communities across the UK.

To this end, officials in our departments, have been working together to establish an Interministerial Group (IMG) for the Housing, Communities and Local Government portfolio. I very much hope that this will provide a forum for us, alongside our counterparts from the Welsh Government and Northern Ireland Executive, to regularly have open discussions on matters of importance. As the Cabinet Secretary for Social Justice, Housing and Local Government, I envisage that you would be the main Scottish Government member of the IMG. I am however aware that some of your ministerial colleagues have responsibility for particular policy areas in the MHCLG portfolio, including Kate Forbes MSP and Richard Lochhead MSP in the area of local growth, so it will also be important to include them in discussions where appropriate.

I am sure you agree, that while these arrangements will have regard to the ongoing joint review of Intergovernmental Relations, it will be in both our interests to move forward and put in place mutually agreeable arrangements between our departments at the earliest opportunity.

Therefore, I would like to invite you to the first meeting of the IMG on Housing, Communities and Local Government this summer. I suggest future matters for discussion may include how we can work together on the UK Government's intention to level up all parts of the UK through the UKSPF and our other funding programmes; and considering how we can work together to ensure that the national welcome and



Ministry of Housing,
Communities &
Local Government

integration package for Hong Kong BN(O) status holders is a success across the whole of the UK.

I welcome your views on this overall approach, and also welcome your proposals for matters you would like to prioritise for discussion.

Should you be agreeable, my office will be in touch to arrange a mutually suitable date for the first meeting of the IMG. My officials also remain available for further discussions on the Terms of Reference for the IMG – a key document to underpin our future relations and which I hope we can agree at our first meeting.

I am copying this letter to the Secretary of State for Scotland. I am writing in similar terms to ministers in the Welsh Government and Northern Ireland Executive.



RT HON ROBERT JENRICK MP

From: [REDACTED] on behalf of [Minister for Just Transition, Employment & Fair Work](#)
To: [REDACTED] [McAvenue K \(Karen\)](#); [REDACTED]
Cc: [Minister for Just Transition, Employment & Fair Work](#)
Subject: FW: Correspondence
Date: 07 March 2022 07:41:44
Attachments: [Annexes for Letter to Richard Lochhead .pdf](#)
[Neil O'Brien Letter to Richard Lochhead.pdf](#)
[image001.jpg](#)
[image004.jpg](#)

Morning all,

Forwarding this on to you all for your attention.

Will forward onto PEU also.

Regards,

[REDACTED]
Private Secretary to Minister for Just Transition, Employment and Fair Work – Richard Lochhead
The Scottish Government | St Andrew's House, Regent Road, Edinburgh, EH1 3DG

M: [REDACTED] | E: MinisterJTEFW@gov.scot



From: PSNeilO'Brien <PSNeilO'Brien@levellingup.gov.uk>
Sent: 04 March 2022 17:43
To: Minister for Just Transition, Employment & Fair Work <MinisterJTEFW@gov.scot>
Cc: Loynd F (Fiona) <Fiona.Loynd@gov.scot>; PSNeilO'Brien <PSNeilO'Brien@levellingup.gov.uk>; PSNeilO'Brien <PSNeilO'Brien@levellingup.gov.uk>
Subject: RE: Correspondence

Hi [REDACTED]

With my sincere apologies for the delay in getting this to you, please find attached a letter from Neil O'Brien, Parliamentary Under Secretary for Levelling up, the Union and Constitution to Richard Lochhead, Minister for Just Transition, Employment and Fair Work.

The contents of this letter is sent in the expectation that further information will be shared at a working level as our officials and yours work together swiftly on the design and delivery of the UKSPF in Scotland.

All the best – and have a lovely weekend,

[REDACTED]

[REDACTED]

Private Secretary to Neil O'Brien MP | Minister for Levelling Up, the Union and Constitution
Department for Levelling Up, Housing and Communities | 2 Marsham Street

M: [REDACTED]

From: [REDACTED]@gov.scot [REDACTED]@gov.scot > On Behalf Of MinisterJTEFW@gov.scot
Sent: 04 March 2022 09:41
To: PSNeilO'Brien <PSNeilO'Brien@levellingup.gov.uk>
Cc: MinisterJTEFW@gov.scot; [REDACTED]@gov.scot >
Subject: Correspondence

Morning PO,

I am emailing in regards to promised correspondence after our call last Friday.

Would it be possible for this to be sent today?

Regards,

[REDACTED]
Private Secretary to Minister for Just Transition, Employment and Fair Work – Richard Lochhead
The Scottish Government | St Andrew's House, Regent Road, Edinburgh, EH1 3DG

M: [REDACTED] | E: MinisterJTEFW@gov.scot



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Department for Levelling Up, Housing & Communities

Neil O'Brien MP

*Parliamentary Under-Secretary for Levelling Up,
The Union and Constitution*

**Department for Levelling Up, Housing and
Communities**

4th Floor, Fry Building
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Email: neil.o'brien@levellingup.gov.uk

Richard Lochhead MSP
**Minister for Just Transition,
Employment and Fair Work**
Scottish Government
St Andrew's House
Regent Road
Edinburgh
EH1 3DG

By email: MinisterJTEFW@gov.scot

14th February 2022

Dear Richard,

I am delighted that we were recently able to publish the Levelling Up White Paper and the UK Shared Prosperity Fund Pre-Launch Guidance. The White Paper sets out a broad, deep and long-term programme to extend opportunity across the whole of the UK by realising the potential of every place and every person, building on their unique strengths, spreading opportunities for individuals and businesses, and celebrating the culture of every single city, town and village. This will make the economy stronger, more equal and more resilient, and lengthen and improve people's lives.

The UK Shared Prosperity Fund (UKSPF) is a central pillar of this ambitious levelling up agenda. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition. Places will be empowered to identify and build on their own strengths and needs at a local level, focused on pride in place.

A key aspect of ensuring the success of levelling up in every part of the UK will be understanding the unique challenges, opportunities and landscapes across Scotland, Wales, Northern Ireland, and England. The Secretary of State for Levelling Up, Housing and Communities recently wrote to the First Minister to express the wish to work with you and colleagues across the UK and beyond to share experiences, to analyse "what works" and to reduce disparities and improve outcomes for everyone in all parts of the UK.

The Secretary of State has separately written to the First Minister to propose establishing an Interministerial Group for Levelling Up, Housing and Communities to allow for meaningful routine engagement between the relevant portfolio ministers across our governments. I am confident that this will be an excellent collaborative forum to discuss the UKSPF and levelling up as the programmes progress.

Ahead of this first meeting, and mindful of the publication of the UKSPF prospectus in spring, there are key issues on which I have asked my officials to collaboratively engage with yours:

- **Delivery Geographies** – working with your officials and COSLA to ask local authorities to come forward with suggested delivery geographies. I know that both the Scottish Government and UK Government share a desire to support regions and I

believe we can work together to support local regions based on existing structures (City & Growth Deals and Regional Economic Partnerships).

- **Investment priorities** – Collaborating with your officials on developing Scottish investment priorities in a way that takes account of the Scottish landscape and will best maximise the use of all public resources in Scotland.
- **Investment Plan** – Moving into delivery, lead local authorities will be required to submit an investment plan to the UK Government for sign off. The Investment Priorities will be key to these plans, although areas will also be able to explore interventions outside of investment priorities with a more detailed sign off from UK Government. I have asked my officials to explore how best we can support areas to ensure strategic fit to local, devolved, and national priorities.
- **Advisory Panel** – Each geography will be expected to convene an Advisory Panel as part of their local governance arrangements. My officials will work with yours on supporting areas to ensure the right stakeholders are in attendance while allowing flexibility and fit with local circumstances.

I hope that you will ask your officials to engage in this process.

I know that you are meeting my colleague Minister Stewart, the Parliamentary Under Secretary of State for Scotland, later this week on wider issues. I have asked my office to arrange a meeting between us all to discuss the UKSPF and, importantly, the outcome of discussions between our officials in the coming weeks. I look forward to working together to take forward this important agenda.

I have copied this letter to the Parliamentary Under Secretary of State for Scotland.

A handwritten signature in black ink, appearing to read 'Neil O'Brien', with a stylized, wavy line extending from the end.

NEIL O'BRIEN MP

The Interministerial Standing Committee Agenda

[TBC – Wednesday 23 March 16:30 – 18:00]

Chaired virtually by the Secretary of State for Levelling Up, Housing & Communities and Minister for Intergovernmental Relations

I. Opening remarks (15 mins)

Ministers to provide opening remarks noting the first meeting of the Interministerial Standing Committee and the new IGR arrangements.

II. UK's domestic response to Russia/Ukraine (25 mins)

The governments to discuss the ongoing situation in Ukraine and the domestic implications for the UK.

III. Approach to UK legislation and future ways of working (20 mins)

The governments to discuss shared challenges on UK Government legislation, including on legislative consent, and ways of working going forward.

IV. Levelling Up White Paper (20 mins)

The governments to discuss actions underway in each nation to reduce inequality and the implications of the Levelling up White Paper.

V. Closing (5 mins)

Interministerial Standing Committee

Approach to Legislation and Future Ways of Working

XX March 2022

Issue

1. To discuss how UK Government (UKG) and the Devolved Governments can best work together in a constructive and timely way on future bills and legislation.

Background

2. The Sewel Convention, that “*the UK Parliament will not normally legislate in areas of devolved competence without the consent of the relevant devolved legislature,*” continues to serve an important purpose for UKG and the Devolved Governments alike. The practice of discussing legislative consent issues with the Devolved Governments often results in more robust legislation being developed and provides a strong example of intergovernmental collaborative working.
3. UKG is clear in its commitment to and respect for the Sewel Convention, and the established practices and procedures for securing legislative consent. Our aim is to work collaboratively with the devolved governments with the aim of reaching consensus and securing legislative consent support wherever necessary. Instances where UKG has proceeded with legislation without consent from the devolved legislatures continue to be exceptional.
4. We acknowledge that there have been some difficult conversations between our administrations on specific bills in recent weeks. At the same time it is worth noting that in the current legislative session to date, 21 Legislative Consent Motions (LCMs) have collectively been passed by the devolved legislatures across 12 bills and Acts, all on the recommendations of their respective devolved governments. This includes LCMs for the Advanced Research & Invention Agency (ARIA) Act 2022, the Environment Act 2021, the Health & Care Bill, the Public Services Pensions & Judicial Offices Bill, and the Police, Crime, Sentencing & Courts (PCSC) Bill. Progress also continues to be made on many other bills currently in Parliament, with “in principle” LCM support issued for several key bills. These positive outcomes have been underpinned by strong working relationships between UKG and Devolved Government counterparts.

Future approach to engagement and securing legislative consent

5. UKG is grateful to colleagues in the Devolved Governments for their constructive engagement on a wide range of legislation in recent years, including on the Agriculture

Act 2020, Fisheries Act 2020, Coronavirus Act 2020, and most recently, on the emergency Economic Crime (Transparency & Enforcement) Bill. We will seek to build on this going forward, ensuring that officials are able to work together effectively on future pieces of legislation as we look ahead to the next legislative session.

6. Early and open engagement between the four governments wherever possible will be fundamental to our approach to the next session, ensuring that the views of colleagues in the Devolved Governments are taken into account from the outset and that we aim to legislate in a collaborative way. UKG will prioritise wherever possible early engagement on policy content, early sharing of draft clauses and timely embargoed sharing of the final bill print pre-introduction.
7. Although both the final content and timing of the next legislative session are yet to be confirmed, initial discussions have already begun with Devolved Government colleagues across a range of policy areas for which legislation is likely to be brought forward, including on:
 - Animal welfare;
 - Energy;
 - Housing;
 - Human Rights;
 - Online safety;
 - Planning;
 - Procurement;
 - Retained EU Law;
 - Transport and rail reform.
8. In addition to enhanced engagement, UKG is keen to increase loan and secondment opportunities for Devolved Government officials to join UKG Bill teams to support and advise on bills that seek to legislate in devolved areas, helping to underpin a joint-working approach. Since November 2021, we have had two secondees from the Welsh Government join us in the Procurement Reform Bill team to support the policy development and application of the Bill's provisions that extend to Wales, and UKG is keen to extend this model to other future bills to enable the Bills to reflect the policies and processes across the four nations, which we believe will make for more effective legislation.
9. We suggest that there is an acceptance among all administrations that there continue to be circumstances where it is practical and advantageous for provisions within a devolved legislature's competence to be included in a UKG bill, with consent sought from the relevant legislature. Such an approach to legislation may be appropriate where a UKG bill covers both devolved and reserved matters to achieve its policy objective.
10. This can enable timely pragmatic solutions, freeing the devolved legislatures to focus on other pressing issues, and respecting their legislative competence via the legislative

consent process. This situation may, for example, arise where proposed provisions are non-contentious and/or there is policy alignment, or where there is a need for emergency legislation, such as the recent Economic Crime (Transparency & Enforcement) Bill.

11. UKG welcomes further discussion and views from Devolved Government colleagues with regard to how we can enhance and support early joint working in this space.

[ENDS]

Annex A - Proposed English Investment Priorities for Discussion

Communities and Place
Intervention
Funding for new, or improvements to existing, community and neighbourhood infrastructure projects. This could include visual improvements to town centres and high streets, as well as community spaces such as youth centres and public libraries. (This may include capital spend projects to improve neighbourhoods or complement larger regeneration investments).
Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces.
Enhanced support for existing cultural, historic and heritage institutions that make up the local cultural and heritage offer (for example the Development or refurbishment of local natural, cultural and heritage assets, and delivery of participatory programmes for these local assets).
Design and management of the built and landscaped environment to 'design out crime', e.g., promoting the active use of streets and public spaces throughout the daytime and evening, improving lightning to improve surveillance at night, etc.
Support for local arts, cultural, heritage and creative activities: e.g., funding for cultural, heritage and art & craft events; maker spaces; local art galleries/museums/libraries for exhibitions; displays for artists to showcase work; locally led music and theatre performances, tours, author events and film screenings.
Funding for local sports facilities, tournaments, teams and leagues to bring people together.
Funding to allow meanwhile uses of vacant high street properties, for example as community and creative hubs, arts venues, maker spaces, bars or restaurants (through Compulsory Rental Auctions).
Active travel enhancements.
Funding for the development and promotion of wider campaigns which encourage people to visit and explore the local area.
Funding for impactful volunteering and/or social action projects to develop social and human capital in local places.
Investment in capacity building and infrastructure support for local civil society and community groups.
Investment in community engagement schemes to support community involvement in decision making in local regeneration.
Supporting Local Business
Intervention
Investment in open markets and improvements to town centre retail and service sector infrastructure, with wrap around support for small businesses.

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OFFICIAL SENSITIVE`

<p>Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally.</p>
<p>Supporting Made Smarter Adoption: Providing tailored expert advice, matched grants and leadership training to enable manufacturing SMEs to adopt industrial digital technology solutions (IDT) including AI; robotics and autonomous systems; additive manufacturing; industrial internet of things; virtual reality; data analytics. The support is proven to leverage high levels of private investment into technologies that drive growth, productivity, efficiency and resilience in manufacturing.</p>
<p>Research and development grants supporting the development of innovative products and services.</p>
<p>Funding for new and improvements to existing training hubs, business support offers, 'incubators' and 'accelerators' for local enterprise (including social enterprise) which can support entrepreneurs and start-ups through the early stages of development and growth by offering a combination of services including resources, training, mentorship and access to workspace.</p>
<p>Grants to help places bid for and host international business events and conferences that support wider local growth sectors.</p>
<p>Support for growing the local social economy, including community businesses, cooperatives and social enterprises.</p>
<p>Funding to develop angel investor networks nationwide.</p>
<p>Export Grants to support businesses to grow their overseas trading, supporting local employment and investment.</p>
<p>Increasing investment in research and development at the local level. Investment to support the diffusion of innovation knowledge and activities. Support the commercialisation of ideas, encouraging collaboration and accelerating the path to market so that more ideas translate into industrial and commercial practices.</p>
<p>Develop and support appropriate innovation infrastructure at the local level.</p>
<p>Investing in enterprise infrastructure and employment/innovation site development projects. This can help to unlock site development projects which will support growth in places.</p>
<p>Supporting decarbonisation whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods and services to take advantage of the growing global opportunity.</p>
<p>Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through Growth Hubs and other local networks.</p>

People and Skills
Intervention
Employment support for economically inactive people: intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills support where there are local provision gaps.
Courses including basic skills (digital, English and ESOL), life skills provision and employability skills. Technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding. Supplemented by financial support for learners to enrol onto courses and complete qualifications.
Tailored wrap-around provision to help people in employment address barriers to accessing education and training courses.
Social inclusion activities such as enrichment and volunteering to improve opportunities and promote wellbeing. Funding for work experience including internships and supported employment programmes.
Green skills courses targeted around ensuring we have the skilled workforce to achieve the governments net zero ambitions.
Retraining support for those in high carbon sectors.
Incentive payments to encourage students to study in the area that they grew up in or currently live.
Local careers fairs, to encourage the retention of highly skilled local talent and to promote local business.
Interventions to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in-community support to provide users with the confidence and trust to stay online.
Funding to support Local Digital Skills Partnerships.
Courses designed to increase confidence with numbers for those needing the first steps, using best practice to engage new learners including a cross-agency approach and working with local employers.
Courses designed to increase confidence with numbers for those needing the first steps, using best practice to engage new learners including a cross-agency approach and working with local employers.
Courses (potentially run-in schools) for parents wanting to increase their numeracy skills in order to help their children.
Courses aimed at prisoners, those recently released from prison or on temporary licence.

Courses aimed at people who can't apply for certain jobs because of lack of numeracy skills and/or to encourage people to upskill in order to access a certain job/career. This could for example be done in coordination with job centres and large employers, such as NHS trusts.

Additional relevant maths modules embedded into other vocational courses.

Flexible courses offered outside of the workplace for local workers that can attend at irregular times.

Numeracy courses run in the workplace for employees of local organisations, that allow people to study during/around working hours. Incentives can be offered to employers (on achievement).

Intensive short courses for people e.g., who are unemployed in order to achieve a qualification maths (entry level, level 1 or level 2).

Intensive/flexible e.g., 12-week courses to achieve a numeracy course in maths (entry level, level 1 or level 2) that are also accessible for people in work.

Fully remote or blended courses for any of the above e.g., using the digital online platform.

DRAFT

Annex B - Quantum for Funding for Scotland in the UKSPF

General principles

The allocations have been developed to date in accordance with the following core principles:

- All areas in the UK will receive funding.
- The UKSPF will at a minimum match the size of EU Funds in each of Scotland, Wales and Northern Ireland. UK-wide, funding for the UKSPF will ramp up to £1.5 billion per year by March 2025. Taken alongside the tail of EU funds across the UK, this will at a minimum uphold the UK Government's commitment to match EU structural fund receipts for each nation of the UK.

Quantum for Scotland

- We have estimated the size of EU Funds in each nation for each year of the SR period to ensure the UKSPF can match these by 2024/25. Historical funds have been considered using the following source: [UK Partnership Agreement](#). The EU Funds included in the UKSPF are the European Regional Development Fund (ERDF) and the European Social Fund (ESF). The historical funds for each year have been converted from euros to pound sterling (GDP) using the annual forex rates (source: [OECD Data](#).) An average over seven years (2014-2020) has been taken to estimate average annual EU Funds. Inflation has then been applied to the (nominal) allocations to give figures in 2024/25 real prices (source: [OBR deflators](#)).
- The below table presents indicative figures across each year of the SR period. These are presented in recognition that the final numbers are subject to change and are dependent on inflation forecasts. All numbers include the Multiply portion of the UKSPF. Taken alongside the tail of EU funds across the UK, the below figures will at a minimum uphold the UK Government's commitment to match EU structural fund receipts.

Nation	22/23	23/24	24/25	SR
Scotland	£32m	£55m	£123m	£210m

Annex C - Scotland's Strategic Geographies

The UK government is keen to promote regional working where it makes sense for local leaders and can deliver good outcomes for local people and businesses. To date feedback for the principle of regional working has been positive, but until further guidance particularly around the allocations each area can expect to receive is published areas have shown a reluctance to come forward. Ahead of the UKSPF publication and after it we want to work with the Scottish Government and COSLA to support areas to come forward on a regional basis if that is the approach, they prefer and is best suited for delivery.

We would support delivery across existing strategic regional areas, illustrated by but not limited to, City and Growth Deals. Where strategic regional areas overlap, we would welcome local views on the appropriate geography, how funds should be allocated and what the lead authority should be. If it is the wish of local partners to come together on the basis of wider geographies, for example, Regional Economic Partnerships, we are happy to consider this. We invite your views on all the above.

City and Growth Deal Areas

Aberdeen City Region Deal

- Aberdeen City
- Aberdeenshire

Glasgow and Clyde Valley City Deal

- Glasgow City
- East Dunbartonshire
- East Renfrewshire
- Inverclyde
- North Lanarkshire
- Renfrewshire
- South Lanarkshire
- West Dunbartonshire

Inverness and Highlands City Region Deal

- Highland*

Edinburgh and South East Scotland City Deal

- East Lothian
- City of Edinburgh
- Fife**
- Midlothian
- Scottish Borders**
- West Lothian

Stirling and Clackmannanshire City Region Deal

- Clackmannanshire
- Stirling

Tay Cities Region Deal

- Angus
- Dundee City
- Fife**
- Perth and Kinross

Borderlands Growth Deal

- Dumfries and Galloway,
- Scottish Borders**

(English councils: Carlisle City, Cumbria County, Northumberland County)

Ayrshire Growth Deal

- South Ayrshire
- North Ayrshire
- East Ayrshire

Moray Growth Deal

- Moray*

The Islands

- Comhairle nan Eilean Siar (Western Isles)
- Orkney Islands
- Shetland Islands

Argyll & Bute

- Argyll and Bute*

Falkirk/Grangemouth

- Falkirk*



Department for Levelling Up,
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Neil O'Brien MP

*Parliamentary Under Secretary of State for
Levelling Up, the Union and Constitution*

**Department for Levelling Up, Housing and
Communities**

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Email: neil.o'brien@levellingup.gov.uk

www.gov.uk/dluhc

04 March 2022

Dear Richard,

It was a pleasure to discuss the UK Shared Prosperity Fund (UKSPF) with you and Minister Stewart on 25 February. I am writing further to that conversation to provide clarity on the Scottish Government's proposed role in the design and delivery of the fund.

As we discussed, I want the Scottish Government to have an important and meaningful role in the UKSPF. I appreciate the constructive engagement of your officials on this work to date and believe that maintaining this dialogue is essential to ensuring we develop a fund that works for the whole of the UK.

I ask that our officials work together rapidly ahead of the publication of the full prospectus of the UKSPF. I would also be happy to share a draft of the relevant sections of that prospectus for comment as we prepare for its formal publication. The prospectus will set out how local places will be expected to take forward the UKSPF over the lifetime of the fund. Within this process, as I set out in our meeting, there are key stages to the policy design and implementation, both in terms of what can be funded and where, on which we would like your input.

I would like our officials to work at pace to co-design additional Scotland-specific interventions for publication in the full prospectus later this spring. To ensure interventions are the right ones for local places to select from, we need to work together to ensure our criteria to consider them are both robust and fair.

We want local government to take responsibility for the delivery of the UKSPF in Scotland, but within that principle of local autonomy we want the flexibility to ensure areas can design and deliver interventions in the way they think best. In Annex A, I have enclosed our considerations for investment priorities in England to help support officials' conversations. Where LAs might want to consider using Scottish Government arm's length bodies for certain interventions, I would ask our officials to explore the feasibility of this proposal in more detail.

Further to this, we also want to give the Scottish Government a strong role in investment plans. These investment plans will be developed by local government but as part of the prospectus we can be clear that lead authorities must involve the Scottish Government in their preparation.

To help inform your consideration of the additional priorities that might be required in Scotland, I have included alongside this letter, in Annex B, details of the total allocation we are considering for Scotland. This allocation is not yet confirmed or final, but I trust the indicative figure will be informative as a guide. I have asked my officials to share more detailed thinking about our approach to the potential local allocations and the methodologies we are considering at a working level. I ask that our officials meet urgently to discuss this in further detail ahead of the publication of the UKSPF prospectus.

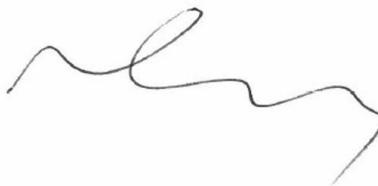
On determining the right model for delivery, we want to work with the Scottish Government and COSLA to ensure that the strategic geographies that come forward are the right ones. Our joint working on this will help ensure the UKSPF does not complicate the existing institutional architecture and help support the strengthening of existing regional partnerships. I have included our considerations to date on the approach we wish to take in Scotland at Annex C and would welcome our officials working urgently to determine the best way to support local authorities to develop an approach that ensures the best possible outcomes for the people of Scotland.

Further to this, we want to set the expectation that all places that deliver UKSPF will invite officials from the Scottish Government, as well as the UK Government, to attend the advisory panels in a full way and in the same spirit of collaboration which underpins the City and Growth Deal boards. This involvement from the Scottish Government will help maximise the impact of the fund in delivering outcomes for people in Scotland.

Finally, we have proposed to set up a UK-wide UKSPF ministerial forum, which we hope representatives of the Scottish Government will be willing to join.

I hope you agree that the proposals in this letter set out a meaningful partnership on the development of the UKSPF. We are working to short timescale and would like to be able to agree the investment priorities and roles and responsibilities of the Scottish Government rapidly, to allow for final drafting of the UKSPF prospectus ahead of its publication. I ask that our officials take this forward as soon as possible.

I have copied this letter to the Parliamentary Under Secretary of State for Scotland.

A handwritten signature in black ink, appearing to read 'Neil O'Brien', with a stylized flourish at the end.

NEIL O'BRIEN MP



Department for Levelling Up, Housing & Communities



Nicola Sturgeon MSP
First Minister of Scotland
Scottish Government
St Andrew's House
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Rt Hon Michael Gove MP
*Secretary of State for Levelling Up, Housing
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Rt Hon Alister Jack MP
Secretary of State for Scotland

Scotland Office

Dover House, Whitehall
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13 April 2022

Dear Nicola,

UK Shared Prosperity Fund Prospectus

The UK Government has today published the Prospectus for the UK Shared Prosperity Fund (UKSPF). I am grateful for the joint working that has taken place between our administrations, which has helped to shape the Fund and ensure that it can be effective in Levelling Up Scotland.

Whilst I recognise the disagreements about the fund, the prospectus reflects your views and ideas in several key areas. In particular, the investment priorities reflect your input and the Scottish context.

I look forward to you continuing to shape the investment programmes across the regional strategic geographies, building on the success of City and Growth Deals and reflecting the work done together so far.

I would like to thank you for the Scottish Government's input and the support of your officials throughout this process. We recognise the important role that you have played and can continue to play in the development and successful implementation of the fund.

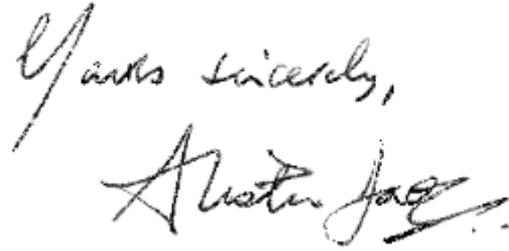
Although you will already have seen much of it via officials, further information about the fund and the investment planning process is included in the UKSPF Prospectus which has been published online:

<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus>

With every good wish,

Handwritten signature of Michael Gove in black ink.

RT HON MICHAEL GOVE MP
Secretary of State for Levelling Up,
Housing and Communities
and Minister for Intergovernmental
Relations

Handwritten signature of Alister Jack in black ink, with the words 'Yours sincerely,' written above it.

RT HON ALISTER JACK MP
Secretary of State for Scotland