Thank you for your letter of 3 October, updating me on the progress of the inquiry of the Scottish Parliament’s Economy, Energy and Fair Work Committee into Structural and Investment Funds and future programmes following EU exit. It is useful to receive the Committee’s final report and recommendations.

As I set out in my response to the Committee’s interim findings, the Government’s 2017 manifesto committed to create the UK Shared Prosperity Fund. This Fund will seek to reduce inequalities between communities across all four nations of the United Kingdom.

The Government still intends to consult later in 2018 on the design of the Fund, as set out in the Industrial Strategy and confirmed again in the Housing Secretary’s Written Ministerial Statement of 24 July 2018.

Officials in my department and the Scottish Government have already begun discussions in advance of this, to share experiences of administering EU structural funds and to consider how the Fund can best operate across the UK. The Committee’s inquiry has featured prominently in those conversations.

As I set out previously, I encourage the Scottish Parliament and your committee to use the forthcoming consultation to contribute specific evidence gathered through the inquiry to inform the design of the Fund. I look forward to receiving your response in due course.

Rt Hon Lord Henley