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## The Rt Hon Sajid Javid MP

Secretary of State for Communities and Local Government

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Dear Peter,

## EUROPEAN STRUCTURAL AND INVESTMENT FUNDS

Further to my letter dated 13<sup>th</sup> August I can now confirm that the current funding guarantee for ESIF projects signed up until the Autumn Statement, will now extend to all projects signed up to the point at which the UK departs the EU, even when these projects continue after we have left the EU.

For projects signed after the Autumn Statement, funding for projects will be honoured by the Government, if they demonstrate good value for money and are in line with domestic strategic priorities. Subject to these conditions, this means that the rate of commitment of ESIF funds, on which your local plans are based, can continue after the Autumn Statement.

We will now work with you and other local partners to prepare further calls and new funding agreements to meet these conditions. The recent returns you provided setting out your spending priorities will inform how these criteria will be applied.

As I set out previously, in the longer term, we will want to consider the future of all programmes that are currently EU funded once we have left the EU. Leaving means we will want to take our own decisions about how to deliver the policy objectives previously targeted by EU funding.

There is a real opportunity here to develop a new, integrated approach to local growth funding: one which is rooted in what is needed, and proves effective, within the UK.

As I mentioned at the LEP Dinner, business insight is vital to ensure that funding works effectively for local places. We will work closely with you over the coming weeks, drawing in your expertise to ensure that any new approach works for local people.

Thank you for your on-going work and commitment during this period of uncertainty on European funding. Now we have a certainty over the medium term, we can work together to plan how to take advantage of the opportunities presented by the outcome of the referendum to do more to support our great cities, regional and local economies to thrive.

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THE RT HON SAJID JAVID MP