

Press release: 'A golden era' heralded for North East as North of Tyne devolution deal becomes law

The signing of the Parliamentary Order by Northern Powerhouse Minister Jake Berry last night (1 November 2018) formally confirmed the ground-breaking North of Tyne deal – an unprecedented transfer of devolved power and investment funding from Westminster to the North East.

Encompassing the area north of the Tyne river, the deal includes the 3 North of Tyne authorities – Newcastle, North Tyneside and Northumberland.

Expected to generate £1.1 billion for the local economy, 10,000 new jobs, and drive over £2.1 billion in private sector investment, the landmark deal will provide a major economic boost for a key region within the Northern Powerhouse. It also includes:

- Over £600 million of government funding (£20 million a year for 30 years) to drive forward investment in digital skills, science and rural growth.
- The creation of a new North of Tyne Combined Authority and a directly-elected North of Tyne Mayor with the election planned for May 2019.
- A new Inclusive Growth Board to take forward skills and employment reforms across the area, including a pioneering North of Tyne Education Improvement Challenge to drive excellence in schools across North of Tyne.

Northern Powerhouse Minister, Jake Berry MP, said:

This deal represents over £600 million of investment into the North of Tyne and a landmark moment for devolution in the Northern Powerhouse with a new, directly elected mayor who will be a strong champion for the region.

The North of Tyne devolution deal is further proof that we're witnessing a new golden era for the North East as the combined authority uses this unprecedented investment to improve public services, create new jobs and new economic opportunities.

We're transferring funding and decision making away from Westminster and placing them directly into the hands of local people, allowing them to have a real say over their future.

The Exchequer Secretary to the Treasury, Robert Jenrick MP, said:

The creation today of the North of Tyne Combined Authority is the

culmination of a huge amount of hard work by local leaders.

The deal delivers £600 million of new government investment for the region over the next 30 years to fund key local priorities.

This move will put more power into the hands of local communities, with the people of Newcastle, North Tyneside and Northumberland voting next May for a new directly-elected mayor to lead this vital work.

Councillor Nick Forbes, Leader of Newcastle City Council, said:

Today marks a significant day in the north's devolution journey. We've begun the work of uniting behind a single voice and taking control of our future.

We still have much more to do in bringing further powers and decision making back to people here, but this devolution deal marks a big step forward in our plans to create more and better jobs across Newcastle, North Tyneside and Northumberland.

Now we need to get on with the task at hand, investing in our region and showing the nation and beyond why this is such a great place to live, work and visit.

North Tyneside's Elected Mayor, Norma Redfearn CBE, said:

This is a historic day for the region. The North of Tyne area already boasts one of the fastest growing economies and job rates anywhere in the UK and this will offer us greater opportunities to grow and develop.

We have shown that we are big enough and bold enough to carve our own destiny and devolution puts us in a very strong position to build on our strengths and achieve great things for all of our businesses and residents long into the future.

Councillor Peter Jackson, Leader of Northumberland County Council, said:

So much work has gone into securing the best deal for the North of Tyne and I'm delighted we can now move forward with the real business of driving the region's economic growth.

We're working on a number of exciting and transformative schemes which will benefit millions of people in the region now, as well as future generations, and we are all excited by the opportunities that lie ahead.

An inaugural cabinet meeting at Morpeth Town Hall will assign cabinet roles and responsibilities, set the budget for 2018 to 2019, and agree a timetable for the selection of an interim mayor to support the North of Tyne Combined Authority ahead of an election in May 2019.

The cabinet will also sign-off the North of Tyne's economic vision, titled Home of Ambition, a statement which will underpin and guide the authority's ambitions and investment priorities for years to come.

Further information

At Budget 2017, following Cabinet agreement, the government announced it was 'minded to' agree a devolution deal with the 3 councils north of the Tyne (Newcastle City Council, North Tyneside Council and Northumberland County Council) providing a mayoral combined authority was established and the councils took the statutory steps for the proposed devolution of powers.

The Parliamentary Order for the North of Tyne Devolution Deal was laid on the 24 July 2018. The approval of the North of Tyne motion in the House of Lords on Thursday (1 November) and the signing of the order by Northern Powerhouse Minister, Jake Berry MP, preceded the creation of the new North of Tyne Combined Authority.

The Combined Authority will have wide-ranging powers including control over housing policy – a policy area in which the 3 councils have already made significant progress. The new North of Tyne Housing and Land Board, chaired by Sir Edward Lister, held its inaugural meeting on Friday 6 July in Newcastle to discuss how to rapidly accelerating house-building in the North of Tyne. The 3 North of Tyne councils committed to an increase in a rate of delivery from 1,800 to 3,000 new homes per year up to 2032, helping to provide much-needed homes more quickly.

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