

The plan does present the widely supported positive aspects of our region – it’s unique strengths. At True North, our concern is that it is not frank enough about the weaknesses and challenges we face and, unless we are open and frank, we will not create the urgency for bold and innovative thinking that is needed to address them.

We support the theme running through the plan to create more and better jobs, but we’d like to see more detail on how businesses create the jobs - how will they be encouraged to do this?

We believe having a Growth Plan for the North East Combined Authority region is a good thing and are grateful for the opportunity to set out below our key comments on the plan.

REGIONAL DIFFERENTIATION – We’d like to know NECA will going to use the new powers to differentiate our region from other in the UK? Much of the plan is welcome but we’d expect to see similar things in the plan for every region – how will we be different?

BIG, BOLD IDEAS – we would like to see a plan to create a sustainable competitive advantage at home and abroad and this will need big, bold ideas. For example, how can we persuade central government to really leverage devolution and give us more power to make our own trade and tax deals?

We should be looking at more innovation like ‘declaring independence’ with a whole of region Free Trade Zone, Planning Light Zones or differential taxation to give our region a competitive advantage as was successful in the former East Germany and has been used in some US states.

Some of these ideas may help to our region to leverage Brexit and further work and debate is definitely need on this.

Many smaller interventions have been tried before, and we need to be bold and radical to shift the dial.

A STRONG VOICE FOR THE REGION, NATIONALLY – we would like to see the NECA and Mayor McGuinness being a stronger voice for our region, a critical friend to Government. Ben Houchen and Andy Burnham have not been afraid to speak out to Governments run by their own political parties. We will not change the Westminster and Treasury mindsets that have stymied the potential of this region for so many years without this. It’s time to rip up the Green Book. It’s often said that “Shy bairns get nowt” well we need to be loud and proud and not be shy about our opportunities and how to leverage them.

Examples of urgent priorities that need to be addressed if we are to achieve growth in this region are sky-high energy costs and the rising costs and burdens of employing people.

GROWTH SECTORS ASSESSMENT - We would like to see a consistent assessment using the same measures of each of the sectors considered for support. i.e. where are we now, how do we compare with other regions and what is the potential. A consistent, evidenced approach would create greater buy in that the right sectors are being supported rather than different measures presented for each sector.



MEASURABILITY - There are many aspects of the plan what set out ‘what’ the NECA would like to achieve without setting out ‘how’ and in some cases ‘who’. Clearer, measurable targets with timescales would be welcome.

TIGHTER FOCUS ON GROWTH SECTORS – whilst we welcome focus on some sectors the plan seems to be too broad. For example, when including the “Foundational Economy” is included with the other sectors identified it is difficult to find part of our economy not included. Should we be focusing on just a few? True North would suggest AI, life sciences, renewable energy - identify specifics and deliver focus and follow through.

AMBITION – more ambitious targets are needed to close the gap between the North East and other regions. For example, payback from the £390m NE investment fund over 15 years seems low – averaging 153 jobs a year over the 15 year period which will not move the needle at all. The scale of the challenge is far greater.

CONSULTATION – we’d welcome more direct consultation with business owners and entrepreneurs. One business owner we have spoken to who joined an online session felt it was not a meaningful exercise. Well run focus groups with powerful leaders who don’t normally engage in this sort of thing would be helpful if they haven’t already happened. Let us speak directly to those at the coalface of creating growth and employment.

SHORT TERM WINS – there are some identified and securing national support for some projects like the Leamside Line could be symbolic that NECA can really make a difference and galvanise support across all sectors and from across the political spectrum. This is to be supported. An example of delivery here could be Ferryhill which has had substantial work done already and is relatively easy to deliver, it could be proof that delivery is possible. It could be delivered in the time it takes to plan any of the other stages.

START UP SUPPORT FOR MICRO BUSINESSES – we would like to have seen more emphasis on this to overcome the low comparative start up rates in the is region. We need urgent action to create more new businesses and support the successful ones to grow.

OVER RELIANCE TO TOO FEW GLOBALLY SUCCESSFUL LARGE BUSINESSES – without Nissan our regional trade position would not be good. Our biggest and best businesses are world class but there are too few of them.

A BALANCE BETWEEN INWARD INVESTMENT AND SUPPORTING HOME GROWN BUSINESSES – whilst we acknowledge the importance of some of our major inward investment employers, we need to acknowledge the risk that they are more likely to relocate to other areas if trading conditions here become harder and that such decisions will not be taken in this region. This is highlighted by recent press article about Nissan. We are not opposed to inward investment but would like to see greater emphasis on home grown growth and jobs.



SUPPORTING ENTREPRENEURIAL RISK TAKING – We’d like to see more done to promote more private investment into firms? At a time of high costs (inflation, cost of employment, cost of materials), what/where are the tax advantages for any entrepreneur to be rewarded for their investment?

PRODUCTIVITY – we welcome the desire to boost productivity would like to see detail of how this will be done and see more ambition to remove the normal drags on productivity – regulation, red tape, box ticking. We’d like to see more engagement with local business owners on this.

RURAL ECONOMY – whilst acknowledging the importance of it, there is not much emphasis on the rural economy. A desire to be a rural trailblazer economy is welcome but it’s not clear how. By the CA’s own figures, the rural economy provides 31% of the total regional GVA. How can a plan for regional growth effectively not include a plan to grow such an important part of our regional economy?

At our Rural Growth Event on 30th May (to which the NECA were invited) the lack of emphasis on rural growth in the plan was highlighted. We will share the outcomes of that event directly with the NECA and we’d welcome the opportunity to work with you on this – support for rural entrepreneurship, rural connectivity, rural infrastructure and lobbying government for less rural red tape. Support for the visitor economy in the plan will be welcome in rural areas.

EDUCATION AND SKILLS – the plan quite rightly highlights the importance of education and skills in supporting economic growth and creating better lives for individual families but does not address some of the significant issues around long-term poor performance in some areas, low attendance rates and whether national reforms being introduced now will help or hinder our ambitions.

In London an Education Challenge programme improved the life chances for thousands of young people. True North is looking for a “North East Education Challenge” with the whole region working together to inspire young people and develop our own talent, whilst tackling many of our social problems.

The UTC in Newton Aycliffe attracts students from north of the Tyne, a UTC north of the Tyne has been discussed with Lord Bakers team, worth promoting this.

BUSINESS / EDUCATION LINKS – we support efforts in the plan to improve the links between our businesses and universities. We’d like to see more links with schools to inspire the children of the long term unemployed into a job, any job.

PUBLIC vs PRIVATE SECTOR – we recognise the crucial role public sector jobs play in our regional economy, but we have to recognise when there is so much pressure on the public finances that this will not be a source of growth and may result in few jobs. We need a booming private sector.



TRANSPORT – we support the ambition to make the Leamside line a reality and the improvements to the NE main line that will unlock. We need to see more ambition to make the A1 dualling, A66 dualling and other key projects like Moor Farm roundabout upgrades a national priority. We think the plan should include more emphasis roads and rail. Lack of investment in our infrastructure is without a doubt holding back our regional growth.

Facilitating transport links from towns and villages to employment hot spots outside of town centres such as major industrial parks.

HOUSING – we support the ambition to increase the public housing stock but would like to see plans to regenerate the rest of our existing crumbling and dated housing stock. As identified in the plan this is essential to the regeneration of our more deprived areas and to helping our communities prosper.

SOCIAL ISSUES - the growth plan does focus on business and the economy and although social issues are important it's also important that it does not stray into areas that can only be dealt with by Government, the NHS or Local Authorities. It needs to avoid any overlap.

DIGITAL INFRASTRUCTURE - There are still large pockets of region that have been left behind with broadband and mobile signal. Small number of jobs can have a disproportionate impact on many of our rural areas and this is currently a big barrier.

