

Teesside transformation backed by £71m government funding

The Government is today announcing £71 million new funding towards ambitious local plans to turn the former site of the former SSI Steelworks in Redcar into a huge business zone, home to world-leading clean energy, manufacturing and tech companies.

Ministers are committed to levelling-up opportunities so that all corners of the UK benefit from growth and prosperity as we get Brexit done and make the most of the opportunities ahead.

Since the steelworks went into liquidation in 2015, it has been a local priority to create a new role for the site, and the wider 4,500-acre South Tees Development Corporation area, to become a key driver of economic growth in the North East.

The area is one of the largest redevelopment opportunities in the country, and the Development Corporation plans to develop it into a business park, attracting companies from a range of industries and creating thousands of jobs once the area is fully developed.

The funding announced today will support work demolishing old buildings and preparing the site for redevelopment to attract new businesses and investment. It will also help the Development Corporation secure some of the land to ensure the whole area can then be regenerated.

Speaking ahead of his visit today, Chief Secretary to the Treasury, Rishi Sunak, said:

This is our levelling-up agenda in action, as we back Teesside's exciting ambitions to be a global trading centre with great jobs for world-leading industries.

We want to unleash the potential in Teesside and across the country to make the most of the opportunities available for the future.

Welcoming the announcement, Tees Valley Mayor and Chairman of the South Tees Development Corporation, Ben Houchen, said:

I have always said I would be the first to ask Government for more money when we needed it for the redevelopment of the former Redcar steelworks site. So, after asking, I'm pleased we will be receiving the £71 million to help secure the site and accelerate its preparation for private sector investment.

It is fantastic for our region that Rishi Sunak and the Treasury

have made this money a top priority and announced it in the first few weeks of the new Government. This is another significant step to help us breathe new life into an area that was devastated following the closure of the steelworks in 2015.

The Development Corporation will set out a strategy later in 2020 which will lay out the Tees Valley's vision to establish the area as a leading location for clean energy, low carbon and hydrogen, including the application of industrial decarbonisation and clean growth technologies.

Today's announcements follows the Government's existing commitment for £450 million towards the Tees Valley Combined Authority's plans to help more young people access skills training, introduce high quality broadband, and support people overcoming barriers into work alongside other priorities. The Government is also supporting people in Tees Valley with the cost of living, with a £930 annual pay rise for a full-time worker on the National Living Wage from April 2020. More than 300 more police officers are being recruited this year in the North East, as part of the Government's commitment to raise numbers by 20,000 nationally.

Business Secretary, Andrea Leadsom, said:

The SSI site is perfect for redevelopment, and this funding will help to get the exciting and ambitious plans from the South Tees Development Corporation off the ground – delivering as many as 20,000 skilled jobs over the next two decades.

These plans have the potential to transform the Teesside economy and attract manufacturers and other companies into the area – and across the wider region, as part of our wider efforts to level up across the UK.

Communities Secretary, Robert Jenrick, said:

This Government stands shoulder to shoulder with the people of Teesside in bringing this historic site back to life.

Backing Tees Valley with this multi-million pound funding will transform this site, creating well paid jobs, boosting economic growth and unlocking opportunities for the area to thrive.