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UK Government commits £2bn to support new Northern Ireland Executive

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The UK Government will provide a £2bn injection of financial support to the new Northern Ireland Executive which will end the nurses' pay dispute, transform public services, turbocharge infrastructure investment and address Northern Ireland's unique circumstances.

The financial package will be accompanied by stringent conditions contained within the New Decade, New Approach deal to deliver a greater level of accountability for public spending and ensure the new Executive is building sustainable public services.

A new UK Government - Northern Ireland Executive joint board will be established, convened by the Secretary of State for Northern Ireland, to oversee implementation.

Julian Smith, Secretary of State for Northern Ireland, said:

This £2bn injection will help transform public services in Northern Ireland, including ending the nurses' pay dispute. New Decade, New Approach is about putting Northern Ireland's Assembly on a sustainable footing.

This funding provides certainty to the Executive and ensures much-needed reforms across health, education and justice can be delivered.

NOTES TO EDITOR:

The Government's financial package includes:

- A £1bn Barnett-based investment guarantee from the UK Government, which will include significant new funding to turbocharge infrastructure investment. This guarantee will apply in all circumstances, and allow the Executive to plan new investment over a five year period.
- A rapid injection of £550m to put the Executive's finances on a sustainable footing, including £200 million to resolve the nurses' pay dispute immediately and deliver pay parity over the next two years.
- Alongside this, the UK Government will ringfence £60m of capital and resource funding to deliver a Northern Ireland Graduate Entry Medical School in Derry/Londonderry, subject to Executive approval, with £45m provided by the Inclusive Future Fund announced in May 2019.
- We will provide £50m over two years to support the rollout of ultra-low emission public transport.
- Around £245m will support the transformation of public services, including transformation across health, education and justice. Funding release will be tied to the delivery of reform.
- £140m to address Northern Ireland's unique circumstances.
- The deal includes strict financial conditions such as the establishment of a new independent Fiscal Council. But it does not include any conditions about the raising of revenue by the Executive - that will be a matter for the Executive to decide on if it wants to release extra funds.

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