Suppliers

• **We need the Supply Chain** to gear up for delivering the significant increase in transport projects over the next decade. The long-term funding certainty and flexibility for the Highways Agency means suppliers can be confident to invest in equipment and skills.

• **We need suppliers to help us deliver** projects and maintenance efficiently and cost-effectively and ensure they have the people and skills necessary to win the work.

• **We need help** to ensure that the investment we are providing leads to better roads, more jobs and a better skilled workforce which will all contribute to a new era for England’s roads.

• **This means the need for** – more apprenticeships, more graduate engineers and more training to build and sustain the industry.

For further inquiries contact:
roads.reform@dfi.gsi.gov.uk

Transforming England’s Strategic Road Network

Key Elements of Roads Reform

- Legislating to secure long-term funding certainty.
- Delivering a huge programme of investment in our road infrastructure.
- Transforming the Highways Agency into a legally separate company.
- Introducing a roads investment strategy – backed by legislation.
The case for investment

- The road network is vital to our nation and a crucial part of our national transport system.
- Failures of the road network increase costs, stifle employment opportunities and make it harder to do business.
- Congestion on the strategic road network costs the economy £2bn every year (more if we include poor reliability).
- Our latest estimates show that traffic on England’s strategic road network will rise by 46 per cent above today’s levels, based on our central scenario.

What improvements are we making now?

**The challenge** is to make the best use of the network we have, and also to plan ahead to help the economy grow.

**Investment – £24bn (maintenance and enhancement) in this and next Parliament.**

**Committed investment in this Parliament – £6.6bn.**

- **£3.3bn for major road schemes.** All eight of the major road schemes under construction in 2010 are now open for traffic. A further 25 schemes will be underway or completed by March 2015.
- **£317m for the Highways Agency’s smaller targeted pinch point schemes** to improve traffic flow; 121 schemes, the majority of which will be completed by March 2015.
- **£3bn for maintenance of the strategic road network, including resurfacing.**

**By 2040 on England’s roads:**

- Almost a quarter of all travel time could be spent stuck in traffic with 100 million working days lost every year.
- This amounts to at least £14bn cost to the freight industry.
- 70 hours for every household stuck in traffic each year.

**We are adding vital capacity to the strategic road network**


<table>
<thead>
<tr>
<th>Lane miles</th>
<th>This Parliament</th>
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</thead>
<tbody>
<tr>
<td>Added in the last 12 months</td>
<td>43.4 lane miles</td>
</tr>
<tr>
<td>Added so far under this Parliament</td>
<td>203.8 lane miles</td>
</tr>
<tr>
<td>Further lanes miles to be added by schemes starting this Parliament</td>
<td>302.2 lane miles</td>
</tr>
<tr>
<td>Next Parliament</td>
<td></td>
</tr>
<tr>
<td>Further lanes miles to be added by schemes currently identified and scheduled to start in next Parliament</td>
<td>456.3 lane miles</td>
</tr>
</tbody>
</table>

**We are investing significantly in maintenance and renewals of our roads**


<table>
<thead>
<tr>
<th>Lane miles re-surfaced</th>
<th>This Parliament</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completed in the last financial year</td>
<td>689 lane miles</td>
</tr>
<tr>
<td>Completed/anticipated during 2011/12-2014/15</td>
<td>2,338 lane miles</td>
</tr>
<tr>
<td>Next Parliament</td>
<td></td>
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<tr>
<td>Anticipated for 2015/16 - 2020/21</td>
<td>up to 17,000 lane miles</td>
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</tbody>
</table>
What improvements are we making post 2015?

Step change in roads investment in the next Parliament – In Summer 2013, the Government set out a new vision for England’s strategic road network in two documents, ‘Investing in Britain’s Future’ and ‘Action for Roads’. They announced that the Highways Agency will become a company with a separate legal identity and be operational by April 2015 and they unveiled the biggest-ever upgrade of our existing road network.

- **£10.7bn** of investment including 27 further new schemes.
- **£6.1bn** for maintenance – resurfacing 80 per cent by 2021 so we have roads in top condition to keep traffic running smoothly.

A balanced package ensures:
- An extra £500m support for ultra-low emission vehicles to 2020
- Improvement of environmental outcomes
- Improving access and safety for cyclists and pedestrians
- Safety – we already have amongst the safest roads in the world but we plan to go further.

What this means

**For the economy** – Investment in roads provides real and direct economic benefits: to businesses, to workers, to consumers. Improved connections support individual towns and cities and strengthen the country as a whole. The better our transport system the more of our lives we can spend being productive and doing the things we enjoy in a better environment.

**For road users** – Investing in roads infrastructure and improving road performance will mean more reliable journeys, less congestion and better connected communities.

**Accelerating Delivery** – In November 2012 the Government announced its aim to cut the time taken to upgrade our roads in half and identified four pilot schemes:
- M6 J10a-13 is now under construction and the lessons learned are being adopted across the programme.
- M3 J2-4a.
- M1 J28-31.
- A160/A180 Port of Immingham improvement.
- In addition the A14 Cambridge to Huntingdon scheme is being brought forward by almost two years to 2016.
Changing the Highways Agency

Transformation of the Highways Agency into a legally separate company is already underway. More investment needs to be coupled with reform. The transformation will ensure it operates in a more transparent way with independent, expert scrutiny and challenge. The new company will be established by April 2015.

What will be different?

- Funding certainty – supports robust long term plans and builds confidence for the supply chain.
- More user focused to ensure money goes where it is most needed.
- Accelerated delivery of schemes.
- Improvements in efficiency will be delivered. Savings of at least £2.6bn over 10 years are expected.
- A better service for road users – through clearer accountability at board level and the appointment of a watchdog and independent monitor.
- Overall goals and performance of the company will still be set out by the Government.

Plan for roads investment

- In parallel to transforming the Highways Agency we will introduce a Roads Investment Strategy (RIS) backed by legislation. The first RIS will be issued in 2014 to cover 2015/16 to 2020/21 and will be made up of:
  - A long term strategic vision
  - A statement of funds available
  - A funding and investment plan
  - A performance specification.
- Backing the RIS with legislation will create an obligation on the Government to provide statements of expected roads investment and performance along with available funding.

- Route based strategies – will bring together all of the different interested groups, local authorities, Local Enterprise Partnerships, motorists’ organisations, environmental groups and others – to discuss the future of a section of the strategic road network. A programme of developing strategies is underway which covers the whole of the network.

- Feasibility studies – In the meantime, the Government announced it will take early decisions on some long-standing road hot spots in the country by undertaking a small set of feasibility studies targeted at key locations and problem sites. The locations identified are:
  - The A303/A30/A358 corridor
  - The A1 North of Newcastle
  - The A1 Newcastle-Gateshead Western Bypass
  - The A27 corridor (inc. Arundel and Worthing)
  - Trans-Pennine routes
  - The A47 corridor between Peterborough, Great Yarmouth and Lowestoft.

The Government is delivering significant investment backed by long term funding certainty

### Investing in Britain’s Future

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment (£m)</th>
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<tbody>
<tr>
<td>2011/2012</td>
<td>£3.3bn investment</td>
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<tr>
<td>2012/2013</td>
<td>£10.7bn investment</td>
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<tr>
<td>2013/2014</td>
<td>Trip ling annual investment on major roads to over £3bn pa by 2021</td>
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<td>2014/2015</td>
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<td>2015/2016</td>
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<td>2019/2020</td>
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<td>2020/2021</td>
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</tbody>
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Peak in graph (indicated) in this Parliament reflects extra funding on top of baseline settlement for this period which was announced in autumn statements 2011 and 2012.

- Pre October Spending Round (Schemes Under Construction)
- October 2010 Spending Round
- November 2011 Autumn Statement
- December 2012 Autumn Statement
- June 2013 Spending Round