



Department
for Transport

Interim Settlement

Investment and management of the strategic
road network from April 2025 to March 2026



March 2025



Department for Transport

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Ministerial Foreword



Our road network is one of the country's most vital pieces of infrastructure. The Strategic Road Network of motorways and major A roads in England that connects our towns and cities, our ports and airports, is relied on by millions of people and businesses every single day.

This document sets out our plans for investment of £4.8 billion in the network in 2025/26.

Whether it's about getting to and from your workplace, relying on deliveries to your business or home, or being able to plan family visits and holidays, a well-functioning and safe road network is something people should be able to rely on.

National Highways look after the Strategic Road Network in England on behalf of the government, providing day to day management, including safety inspections, traffic officer patrols and providing up to date electronic messaging. They also keep the road network well maintained, ensuring that vital repairs and renewals are carried out, roads surfaced and improved infrastructure is built where necessary, while minimising the impact on the environment.

This activity is a critical part of our mission to kickstart economic growth. It is vital to manufacturers, distributors and retailers alike as well as enabling new developments that create jobs and housing and provide access to employment and education.

Roads are of course only one element in a multi-modal transport system, but one that carries 81% of domestic freight, and 75% of imports and exports. The Strategic Road Network carries 34% of all road journeys despite being just over 2% of the road network by length.

The current five-year Road Investment Strategy (RIS) expires at the end of March 2025, and we intend to set a new multi-year strategy. But this requires time to plan, and the choices we make in that strategy will be informed by this year's cross-government Spending Review.

But while it is important that we take time to assess our investment choices for the future we are also getting on with the job. This government has made decisive choices on starting works on good schemes that are shovel

ready. Important new schemes on the A47 in Norfolk and the A57 in Greater Manchester are now underway.

The Chancellor announced in the Autumn Budget 2024 that strategic roads would be funded in 2025/26 through an Interim Settlement. This document sets out the details of that settlement. In the absence of a RIS, the governance for National Highways for 2025/26 will be through a set of Statutory Directions and Guidance.

The £4.8 billion for 2025/26 will see continued vital investment in our road infrastructure and help to prepare the way for a new long-term plan that will support the government's 10-year infrastructure strategy and lay the foundations of economic recovery.

Lilian Greenwood
Minister for the Future of Roads

Introduction

The Strategic Road Network (SRN) comprises England's nationally significant motorways and major A-roads which:

- Link our main places of population;
- Facilitate access to major ports and airports;
- Enable access to geographically peripheral regions; and
- Provide key cross-border routes to Scotland and Wales.

In 2015 the Infrastructure Act established a new arm's length body, National Highways to manage the SRN and a statutory process for setting and funding a Road Investment Strategy (RIS).

The RIS is a multi-year investment plan covering costs of operating, maintaining, renewing, and enhancing the SRN. There have been two previous road investment strategies, both covering a 5-year period: the first Road Investment Strategy (RIS1), published in 2014 and covering the first Road Period 2015-2020; and the second (current) Road Investment Strategy (RIS2) in 2020 covering the second Road Period 2020-2025.

We know that a high degree of certainty and continuity is essential for business confidence in the supply chain and wider business community. The government is therefore committed to continuing the key elements and principles

behind this long-term approach and is developing the third Road Investment Strategy (RIS3).

As announced in the Autumn Statement 2024, RIS3 will be informed by the next stage of the Spending Review, reporting in late Spring 2025. To allow the development of these longer-term plans in alignment with the government's Spending Review, the arrangements for 2025/26 are covered by an interim settlement.

The Interim Settlement, now outlined in this document, will allow government to provide investment in the SRN in the shorter-term to keep the country moving, kick start economic growth, enable fast and reliable journeys, provide integrated connectivity across the UK, and support planning development and local placemaking.

As there will be no RIS in place for 2025/26, the legal basis for the Interim Settlement is a set of statutory directions and guidance as provided for under Section 6 of the Infrastructure Act 2015.

The Interim Settlement confirms £4.842 billion for the operation, maintenance and enhancement of the SRN and sets out what National Highways will deliver for the funding in terms of performance outcomes and outputs. This document sets out the content of the Interim Settlement as follows:

- Part 1: Statutory Directions and Guidance.
- Part 2: A summary of the strategic aims for the SRN and the government's priorities for 2025/26.

- Part 3: The performance specification, sets out the key performance targets that National Highways is expected to achieve and must report against.
- Part 4: The investment plan, sets out the portfolio of capital investments that National Highways is expected to undertake, along with specific outputs proposed to be delivered in the year.
- Part 5: The Statement of Funds Available sets out the funding that government is committing to provide to National Highways for delivery of the above.

National Highways will produce a Delivery Plan for the Interim Settlement year setting out in more detail what and how it will deliver.

The Office for Rail and Road (ORR), in their statutory role as Highways Monitor, will hold National Highways to account for delivery of the Interim Settlement and their Delivery Plan, except where stated otherwise.



Part 1: Statutory Directions and Guidance

Scope and Background

- 1.1 As confirmed in the Autumn Budget 2024 the Secretary of State has decided to delay the commencement of RIS3 to 1 April 2026 to allow it to be considered as part of the multi-year Spending Review.
- 1.2 The second Road Investment Strategy (RIS2) will end on 31 March 2025. Pursuant to Section 6 of the Infrastructure Act 2015, the Secretary of State is issuing these statutory directions and guidance to National Highways (referred to as “the strategic highways company”) to cover the exercise of its functions beyond the expiry of RIS2 and until the start of the period covered by the next RIS.
- 1.3 The strategic highways company is directed to comply with the contents of Parts 1, 3 and 4 of this document.
- 1.4 This document will come into force on 1 April 2025 and will remain in force until 31 March 2026, subject to any amendments pursuant to paragraph 1.11.
- 1.5 This document sits alongside the Highways England Licence dated April 2015 (“the Licence”) and the Highways England Framework Document

dated April 2015 (“the Framework”) and is not intended to supersede them.

Interpretation and General Conditions

- 1.6 The Interim Settlement covers the 2025/26 financial year (referred to as the “Interim Period”), commencing on 1 April 2025 and to end on 31 March 2026 inclusive.
- 1.7 This Interim Settlement specifies the performance standards (referred to as the “performance specification”) (see Part 3), and the outputs to be delivered (referred to as the “investment plan”) (see Part 4), by the strategic highways company; and the funding that will be made available during the Interim period (see Part 5).

Delivery Plan and Monitoring

- 1.8 The strategic highways company must produce an Interim Period Delivery Plan (IPDP), setting out the details of how the company aims to deliver the Interim Settlement and how it aims to comply with the general duty to maintain highways in section 41 of the Highways Act, submitting a draft to the Secretary of State for approval. Subject to the Secretary of State being satisfied, the strategic highways company must publish and deliver the IPDP.

- 1.9 The strategic highways company must report to the Highways Monitor on progress in delivering requirements set out in the IPDP and must provide data and information on its performance in complying with and/or delivering the requirements of the Interim Settlement. The strategic highways company must provide data or information on its performance in complying with and/or delivering the requirements of the Interim Settlement and the IPDP as required by the Highways Monitor for the purpose of fulfilling its statutory functions. In providing data or information pursuant to this paragraph, the strategic highways company must do so in such form and manner and at such times as the Highways Monitor may reasonably specify in guidelines. These obligations remain in place until reporting is complete and are not limited by the end date of the Interim Period.
- 1.10 The obligations under paragraph 1.8 and 1.9 do not apply to the activities listed under “Non-Core functions” as set out in paragraph 4.23.

Dealing with Changes

- 1.11 In the event that a change to the contents of the Interim Settlement is proposed by either the Secretary of State or the strategic highways company, the proposed changes will be discussed between the Secretary of State and the strategic highways company, seeking advice from the Highways Monitor, in the event that the Secretary

of State and the strategic highways company fail to reach a mutually agreed position, the final decision on any changes will be made by the Secretary of State.

Part 2: Strategic Aims

A mission driven government

- 2.1 As part of its Plan for Change, the government is committed to investing in the continued operation, maintenance and enhancement of the SRN, as a vital enabler to keep the country moving safely and to kickstart economic growth.
- 2.2 Investment supports economic growth and prosperity, both directly through the contracts National Highways let and indirectly through the role the SRN plays in connecting people and businesses and providing the UK with high-quality domestic and international links. The investment in the Interim Settlement, in turn, supports government's wider missions. This ranges from support for employment, training and education opportunities across the UK to the development of an integrated active travel system, improving the health of people and communities, as well as supporting the country's environmental commitments.
- 2.3 Overall, £409.7 billion of gross value added is generated by the sectors that rely on the network, and this is projected to grow by 41% by 2050. To enable this, the SRN needs continued long-term investment. This Interim Settlement provides that investment for 2025/26 to improve safety, provide

reliable journeys that people rely on, and support employment and business across the UK, whilst allowing the government to set out the plan for long-term sustained investment in the SRN in a fiscally responsible manner.

Connecting people and business

- 2.4 As the second largest infrastructure asset by value that the UK government owns, the SRN is an essential part of UK infrastructure. It provides critical routes and connections across the country to support UK growth and safe and efficient journeys for people and business. England's SRN is already one of the safest in the world, and continued investment should help drive further reductions on the numbers of people killed or injured while using the SRN and for people working on our roads.
- 2.5 The SRN is a key enabler in kickstarting economic growth and productivity for people and businesses across the country, investing in the SRN is vital to the performance of economic sectors such as manufacturing, retail, and construction. The multi-modal freight and logistics sector is critical to every supply chain into, across and out of the UK and is fundamental to our economic wellbeing, with 81% of domestic freight in the UK carried by roads. The SRN makes a sizable contribution to this industry by ensuring reliable and resilient integration with 4 of the 5 busiest airports in England directly served

by the SRN and 7 of 10 key ports in England relying on SRN links, providing not only key links for individuals, but also for freight and businesses, where 75% of imports and exports come by road.

2.6 The critical role the SRN plays each day in providing reliable, high capacity, resilient corridors for freight and people cannot be taken for granted. The National Infrastructure Commission have estimated that the total cost of congestion to the UK freight system in 2019 could be more than £6 billion, or 0.3% of GDP. Managing, maintaining and improving the performance of the network to ensure reduced delays is vital and technology has an important role to help improve network capability, safety, reliability and resilience to transform road users' experience.

2.7 The SRN runs through some of our most iconic landscapes, such as the Lake District and South Downs National Parks and above the White Cliffs of Dover. As well as providing connections to key modal interchanges, it includes 850 miles of cycle and walking routes and 30,000 hectares of green land, containing a diversity of wildlife and habitats that we seek to improve and drive positive environmental change for people and places.

2.8 The SRN plays a fundamental role in how people and goods move, carrying over one third of motor vehicle miles and over two-thirds of lorry miles in England, despite making up only 2.4% of the road

network by length. We continue to prioritise the management of the existing asset and plan for the long term, to ensure the SRN serves the needs of people and business, safely and reliably, today, and long into the future.

Laying the foundations

- 2.9 The Interim Settlement represents continuity from the current work of National Highways, whilst laying the foundations to return to longer-term certainty and investment through RIS3.
- 2.10 In setting this Interim Settlement, we have sought advice from Transport Focus, the independent watchdog representing the interests of all users of the SRN and listened to the views expressed in the public consultation on RIS3. We know that the SRN best supports growth and prosperity for people, the country and the economy when it runs reliably, safely and smoothly. Research from Transport Focus shows us that this is a top priority for users, particularly those in the freight industry.
- 2.11 Delivery of this investment focuses heavily on operations, maintenance and renewals. This will be crucial to keeping the existing, ageing network in good repair to avoid unplanned disruption. Looking to 2025/26 there is a need to continue to renew the ageing network. This means the longer-term focus on renewals will continue.

2.12 The settlement also funds National Highways' day-to-day operational activities that are critical to ensuring the network runs smoothly. This includes inspections, repairs, traffic officers and control centres, which enable fast and reliable journeys for SRN users and businesses, driving productivity and widening access to jobs in every part of the country.



Part 3: Performance Specification

Overview

- 3.1 The performance specification sets out government's high-level expectations in 2025/26 and is designed to measure the impact National Highways' actions has on those who use the SRN, its surrounding environment, and the role it plays in supporting economic growth while achieving value for money. The performance specification also commits National Highways to continue preparation for delivering RIS3 from April 2026.
- 3.2 We have retained six performance outcome areas from RIS2 in the Interim Settlement, providing continuity for the company and stakeholders ahead of the transition into RIS3, and the understanding of long-term performance across multiple road periods. These themes are:
- Improving safety for all;
 - Providing fast and reliable journeys;
 - A well maintained and resilient network;
 - Being environmentally responsible;
 - Meeting the needs of all users; and
 - Achieving efficient delivery.

3.3 Beneath each outcome area sits a series of Key Performance Indicators (KPIs) and Performance Indicators (PIs) used to assess National Highways' performance and in 2025/26, there will be a total of 11 KPIs and 23 PIs. Many of these are also brought forward from RIS2 for continuity and to allow long term performance across different road periods to be effectively measured. There are also commitments noted, which are focused on areas for National Highways to build its capability and embed improvements, and to undertake development work in preparation for the next road period.

Measuring Performance in a one-year setting

3.4 As with a RIS, the setting of performance targets for the Interim Settlement has been undertaken on the principle that they should strike the right balance between being stretching, and yet achievable.

3.5 A one-year settlement requires a different approach to setting performance expectations. The targets are more focussed than would be expected in a five-year strategy. Their level of ambition is also aligned to the funding settlement for National Highways for 2025/26 of £4.842 billion, set as part of the 2024 Spending Review.

- 3.6 A single year restricts the ability to fully realise the benefits of National Highways' work throughout the year. Operating an open network also means there are a number of factors outside the company's control that will affect performance.
- 3.7 To address this, we have adapted how performance will be measured for the following KPIs.
- 3.8 **Safety:** The government recognises, and understands, the importance of safety to road users and the public. The RIS2 government target of a reduction to the number of people killed or seriously injured on the strategic road network, remains in place as it overlaps the Interim Period by nine months. This is due to Road Safety Statistics being measured by calendar year and not April-to-March. To support progress towards achieving this target, National Highways must deliver a series of safety improvements set out in its Safety Action Plan for 2025/26.
- 3.9 **Average Delay:** The government's ambition is that average delay on the strategic road network is no worse in 2025/26 than it was in 2024/25, recognising that there are factors that cause delay that are outside National Highways control. To support and demonstrate progress towards achieving this ambition, National Highways must deliver a set of actions set out in its Customer and Delay Action Plan for 2025/26.

- 3.10 Efficiency: We have worked with National Highways and ORR to consider how best to ensure an efficient approach in 2025/26. The efficiency targets in RIS1 and RIS2 were predicated on National Highways being able to achieve efficiencies through 5-year funding certainty. The ability to deliver activity over a longer-term funding settlement gives National Highways the opportunity to maximise delivery of outputs for the funding provided, whilst also considering the longer-term outcomes. As this is only a one-year settlement the opportunities to deliver efficiencies are harder to achieve and evidence and would be a relatively small figure in comparison to previous Road Periods. The funding available for delivery of the Interim Settlement has been based on cost estimates that assume efficiencies will be delivered. National Highways will continue to demonstrate to ORR its continued work to identify and achieve efficiencies rather than hitting a specific target.
- 3.11 Noise: The single year also restricts National Highways ability to design and deliver efficient and impactful noise mitigations by the end of 2025/26. However, we are asking National Highways to provide a noise mitigation plan for implementation during RIS3.
- 3.12 Whilst these are unable to be targeted, it's essential that National Highways' important work in

these areas continues, with the benefits being felt for years to come.

Performance Metrics

3.13 We expect National Highways to align its IPDP with the expectations set out below across the 11 KPIs and 23 PIs. ORR will monitor National Highways' compliance with the performance specification.

	Improving safety for all	Providing fast and reliable journeys	A well maintained and resilient network	Being environmentally responsible	Meeting the needs of all users	Achieving efficient delivery
Key Performance Indicators	The number of people killed or seriously injured on the SRN.	Average Delay	Road Pavement Condition	Biodiversity	Road User Satisfaction	Efficiency
		Incident Clearance Rate		Corporate Carbon	Roadworks Information, Timeliness and Accuracy	
		Network Availability		Noise		
Performance Indicators	Total number of people killed or injured on the SRN.	Delay from Roadworks	Structure Condition	Air Quality	Timeliness of information provided to road users through electronic signage	Cost Performance Index (CPI) and Schedule Performance Index (SPI)
	Number of non-motorised or motorcyclists killed or injured on the SRN.	Journey Time Reliability	Drainage Resilience	Maintenance and construction carbon emissions	Ride Quality	
	Accident frequency rate for National Highways staff	Delay on Gateway Routes	Technology Availability	Condition of cultural heritage assets	Working with local highways authorities to review diversion routes for unplanned events	
	Accident frequency rate for supply chain staff	Average Speed	Geotechnical Condition	Water Quality	Logistics and coach manager satisfaction	
	International Road Assessment Programme (IRAP) Star Rating			Litter		

Improving safety for all	
KPIs	<p>1.1 The number of people killed or seriously injured on the SRN.</p> <p>Target:</p> <p>The government has an existing RIS2 target for the reduction in the number of people killed or seriously injured on the SRN to decrease by at least 50% by the end of 2025, against the 2005-09 average baseline.</p> <p>This is a stretching target that relies in part on factors outside of National Highways' control. To support progress towards achieving this target, National Highways must deliver a series of safety improvements set out in its Safety Action Plan for 2025/26.</p>
PIs	<p>The total number of people killed or injured on the SRN.</p> <p>The number of non-motorised or motorcyclists killed or injured on the SRN.</p> <p>The accident frequency rate for National Highways staff.</p> <p>The accident frequency rate for National Highways supply chain staff.</p> <p>International Road Assessment Programme (iRAP) star rating.</p>

Providing fast and reliable journeys	
KPIs	<p>2.1 Average Delay</p> <p>Ambition: The government's ambition is for average delay in 2025/26 to be no worse than at the end of 2024/25.</p> <p>To support progress towards achieving this ambition, National Highways must deliver actions as set out in its Customer and Delay Action Plan for 2025/26, in order to demonstrate its work towards this ambition.</p>
	<p>2.2 Network Availability</p> <p>Target: Achieve 97.5% lane availability in 2025/26.</p>
	<p>2.3 Incident Clearance Rate</p> <p>Target: At least 86% of motorway incidents cleared within one hour, based on 24-hour coverage.</p>
PIs	<p>Delay from Roadworks: Overall delay experienced by users that is caused by roadworks.</p>
	<p>Journey time Reliability: percentage of reliable journeys (where reliable journey would be defined as typical journey time + 20%)</p>
	<p>Delay on Gateway Routes: average delay (seconds per vehicle mile) observed on gateway routes.</p>
	<p>Average Speed: the average mph whilst travelling on the SRN.</p>

A well maintained and resilient network	
KPIs	<p>3.1 Road Pavement Condition</p> <p>Target: Percentage of the network in good condition to be maintained at 96.2% or above.</p>
PIs	Structures Condition: average structural condition; critical element condition; and structural condition Index.
	Technology Availability: percentage of time roadside assets are available and functioning.
	Drainage Resilience: percentage of carriageway that does not have an observed significant susceptibility to flooding (weather normalised).
	Geotechnical Condition: percentage length of asset in good condition.
Being environmentally responsible	
KPIs	<p>4.1 Biodiversity</p> <p>Target: National Highways to record the delivery of 1,169 Biodiversity Units during 2025/26. These are units that have been delivered during 2024/25 but are currently subject to assurance and validation.</p>
	<p>4.2 Corporate Carbon</p> <p>Target: National Highways to achieve a 75% reduction in corporate emission against the 2019/20 baseline in 2025/26, using the Science Based Targets initiative methodology.</p>
	<p>4.3 Noise</p> <p>Target: Commitment for National Highways to produce a noise mitigation plan ready for implementation in RIS3.</p>
PIs	Air Quality: The number of links on the network in exceedance of NO2 limits.
	Maintenance and construction carbon emissions.
	Condition of cultural heritage assets.
	Water Quality: the number of medium, high and very high-risk outfalls where water pollution is mitigated.
	Litter: percentage of the SRN where litter is graded at B or above under the Litter Code of Practice.

Meeting the needs of all users	
KPIs	5.1 Road User Satisfaction Target: National Highways to achieve a 1% increase in overall road user satisfaction in 2025/26 compared to 2024/25.
	5.2 Roadworks Information, Timeliness and Accuracy Target: Achieve 75% accuracy of roadworks information seven days in advance of works in 2025/26.
PIs	Timeliness of information provided to road users through electronic signage.
	Ride Quality: Measures the smoothness of the road aligned to the customer experience.
	Working with local highways authorities to review diversion routes for unplanned events.
	Logistics and coach manager satisfaction: percentage satisfied.
Achieving efficient delivery	
KPI	6.1 Efficiency Commitment for National Highways to demonstrate efficiency through its performance reporting to ORR.
PI	Cost performance index and schedule performance index: Measured across schemes in construction from Project Control Framework Stage 6 (construction) through to the end of Project Control Framework Stage 7 (Closeout).

Development work in preparation for future road periods

3.14 We require National Highways to undertake additional work during 2025/26 to underpin development of future road investment strategies and ensure they are in the best shape to deliver. This includes work to improve existing metrics,

develop new ones, and wider actions to support ongoing capability improvements.

Commitment	Description
Cost and estimation improvement	National Highways to develop a cost and estimating improvement plan by the end of the second quarter (Q2) of 2025/26. This should set out time-bound commitments for improving its capabilities ahead of the RIS4 development process.
Asset Information	<p>National Highways to develop an asset data improvement plan by the end of the second quarter (Q2) 2025/26. This should include:</p> <ul style="list-style-type: none"> • Actions to develop and agree a structured reporting framework to support compliance with Licence condition 5.9. • Plans to establish a baseline of data accuracy and completeness of asset inventory and condition data <p>National Highways may also undertake further initiatives that support the improvement of asset information. These will be confirmed in their IPDP.</p>
Performance Framework Development	<p>National Highways to, working closely with DfT, Transport Focus and ORR, develop a time bound plan for the development of the RIS4 performance specification by end of the second quarter (Q2) 2025/26. This should include:</p> <ul style="list-style-type: none"> • An assessment of the appropriateness of current KPIs and PIs and, where necessary, develop new or updated metrics to support RIS4 development and emerging priorities. • Plans to enhance analytical capability and achieve better alignment between outputs and performance outcomes, including but not limited to KPIs and PIs. These should be in place to support RIS4 development and future monitoring.

Commitment	Description
<p>Metrics in Development continuation</p>	<p>National Highways have a specific commitment to support development, and/or improvement of performance metrics to be ready by March 2026, for consideration for inclusion in the RIS3 performance specification, those being:</p> <ul style="list-style-type: none"> • Lost Time Incidents for road workers for 2026/27 • Lost Time Incidents for Supply chain for 2026/27 • Smart Motorway Tech for 2026/27 • Journey Time Reliability for 2026/27 • Delay from Roadworks for 2026/27 • Air Quality for 2026/27 • Delay from Incidents for 2026/27 <p>And a commitment to continue to develop the Asset Health Metric measures in accordance with the milestones agreed with ORR, for consideration for inclusion later in RIS3.</p>



Part 4: Investment Plan

- 4.1 The Spending Review in 2025 will determine the funding available for the years 2026/27 and beyond which will inform the development of RIS3.
- 4.2 In the first and second road investment strategies, the emphasis has been on large schemes to enhance capacity on the network, with those schemes being specified by government for delivery in the period.
- 4.3 While RIS3 has yet to be agreed, it is likely that investment will be increasingly focussed on maintaining and renewing the existing Strategic Road Network, including replacing and renewing major bridges, viaducts and other structures.
- 4.4 National Highways, as the Strategic Highways Company for the SRN has a duty to ensure the maintenance, resilience, renewal and replacement of the network. The government will specify some clear commitments for delivery during 2025/26 as part of its £1.282 billion for capital renewals. National Highways will identify the detailed requirements and scope of works required in the Interim Period.

Renewals

- 4.5 In 2025/26 we are investing £1.282 billion in capital renewals, with which National Highways will:

- work on 76 structural renewal schemes including 49 already in progress and 27 new schemes in design, development or construction during the year including M6 Lune Gorge.
- replace 1315 lane-kilometres of asphalt road surface (+/- 2%).
- complete 22 lane-kilometres of concrete road reconstruction.
- mitigate 41 flooding hotspots (+/- 5%).
- deliver 261 kilometres of vehicle restraint systems (e.g. barriers) (+/- 5%).
- deliver roadside technology; 270 to 500 CCTV cameras, 168 to 313 signs; and 199 to 396 signals.

4.6 These asset classes represent around 77% of all expected renewals spend in 2025/26 with the remainder being invested in areas such as geotechnic, lighting, soft estate and tunnels.

4.7 These deliverables do not account for the entirety of renewals spend as it important to allow National Highways an appropriate margin of flexibility to manage the renewals programme in a way that represents the most economical and efficient approach over the life of the assets based on the information and funding available. National Highways will provide more detail in their IPDP

on what they will deliver within all the above categories and confirm the renewals outputs for the six key asset classes set out above.

- 4.8 National Highways will also, as set out in the performance specification, develop and produce an Asset Data improvement plan. This is part of an ongoing continuous improvement journey for National Highways that began in RIS1, to develop and improve asset data knowledge and decision-making capability. The plan to be produced in 2025/26 will build on the work done to address previous ORR findings on National Highways asset information.
- 4.9 All but one of the 27 new significant structural renewals schemes being worked on in 2025/26 are under £50 million in value. But over the next road period there will be an increasing number of larger renewals schemes including significant bridges, structures and viaducts that are strategic, complex and high profile. One particular example is the Lune Gorge scheme on the M6 which will progress towards start of works in 2025/26 and the M27 Concrete Road programme which will move towards completion during the year.
- 4.10 During 2025/26 we will work with National Highways and ORR to develop a definition for these schemes in the future and to help manage impacts to road users, as well as ensuring there is

a proportionate assurance and oversight system for all areas of the renewals programme.

Enhancement Schemes

- 4.11 During 2025/26 National Highways will deliver and progress schemes that were commitments in the second road investment strategy.
- 4.12 11 schemes will be under construction at the start of 2025/26. Two of these will complete and open for traffic during the year and two further schemes will start works during the year.

Opening for Traffic in 2025/26

A63 Castle Street

Grade separation of the A1079 Mytongate junction in Hull to reduce congestion and improve safety; improvements to the surrounding roads including new pedestrian and cycle access across the A63

M25 Junction 28

Upgrade of the junction between the M25 and A12 in Essex, providing a free-flowing link from the northbound M25 to the eastbound A12.

Starting Works in 2025/26

M3 Junction 9

Upgrade to the junction in Hampshire to allow free movement from the A34 to the M3.

A47 Thickthorn Junction

improvement of the interchange between the A47 and A11, improving access into Norwich.

- 4.13 This government has already taken decisions on some of the enhancement schemes that are already in RIS2. Where schemes have had strong cases and were ready to start construction we have not delayed them. Work has already started

on two A47 dualling schemes and the A57 Link Road in Greater Manchester. And preliminary works have already started on A47 Thickthorn Junction and M3 Junction 9. We have considered these carefully and support them progressing as they are worthwhile schemes that clearly support our mission to kick start economic growth. However, we have also taken hard but necessary decisions to cancel some other schemes that had weaker cases on value for money and/or deliverability.

- 4.14 Seven more committed schemes from RIS2 remain in the programme but are not ready to start works until after the 2025 Spending Review, which will determine the funding available for RIS3. Therefore, while development work continues to be progressed on these schemes in 2025/26, their delivery and scheduling cannot be confirmed until after the 2025 Spending Review is completed.
- 4.15 For Lower Thames Crossing we are exploring the options for private finance as confirmed by the Chancellor in January 2025.
- 4.16 See Table 1 for the full list of enhancement schemes.

Future RIS development

- 4.17 Beyond the RIS2 committed schemes, National Highways will continue to progress schemes for potential delivery in the future. The future RIS and

scheme development funding line is intended to support the preparatory activities for a subsequent RIS and progressing schemes within the RIS pipeline to a stage of development where informed decisions can be made on the case for their delivery. Not all schemes listed in the Pipeline in RIS2 and considered during Road Period 2 will be progressed as Pipeline schemes in the next road period. An updated list of Pipeline schemes will be published in RIS3.

4.18 During 2025/26 National Highways will:

- develop a programme of options for existing and emerging pipeline enhancement schemes for Ministers to consider in the round later in RP3 for future delivery.
- take forward and finalise RIS3 strategic planning activities, including its draft Strategic Business Plan, final Strategic Business Plan and Delivery Plan, and finalising Route Strategies developed during Road Period 2.
- undertake further development of the wider enhancement portfolio.

4.19 During 2025/26 National Highways will also develop a prioritised short-list of smaller schemes (generally values less than £25 million) across the country primarily aimed at reducing localised congestion for all users to unlock local economic and housing growth. These will be schemes that

could be delivered during RIS3 subject to the final RIS3 specification and available funding.

Designated Funds

4.20 During 2025/26 National Highways will invest £89 million in Designated Funds.

4.21 There will be four ring-fenced Designated Funds that will deliver activities that support National Highways in improving safety, supporting its customers and communities, fostering innovation and improving environmental outcomes. These fund key activities to support achievement of the performance KPIs, support activities that go beyond National Highways statutory duties, for example on active travel or the environment, or enable National Highways to meet legislative commitments. The four Designated Funds are:

- **Safety:** Delivering network interventions to improve safety on high-risk roads, including post collision response and suicide prevention.
- **Innovation and research:** Investment in innovation and research enables delivery of a range of activities to support long-term strategic commitments, such as decarbonisation and customer experience.
- **Customer and communities:** Delivering benefits for people and communities impacted by the SRN. This includes focusing on active travel,

accessibility of the network and services, improving the experience of freight operators and drivers when using the SRN, including freight roadside facilities and leaving a positive legacy for communities.

- Environment: Often working in partnership with local authorities and other stakeholders to deliver on a range of activities. These include responding to air quality obligations, supporting carbon reduction, habitat improvement and natural flood management.

4.22 Additionally, in 2025/26 National Highways will undertake two specific pieces of work within the Safety and Environment funds.

- Safety – National Highways will develop a programme of local safety interventions for major A-roads to directly address safety concerns, linked to the iRAP star rating.
- Environment and Users – National Highways will undertake a programme of remediation of its highest risk water outfalls and soakaways to improve environmental outcomes. Road runoff can carry pollutants, which, under certain conditions, can have a negative environmental impact. The focus of investment for 2025/26 will be on developing a programme of water outfall mitigations, including delivery of works where appropriate.

Non-Core functions

4.23 In addition to the day-to-day operational activities, National Highways will continue to undertake non-core functions on behalf of the Department which fall outside the scope of ORR monitoring. These include:

- Maintaining responsibility for authorising and planning routes for the movement of abnormal loads on the SRN, including managing the electronic service delivery system.
- Maintaining responsibility for the Historic Railways Estate, which is a collection of over 3,100 structures and assess which were once part of Britain's rail network.
- Operating the 'Brock' contraflow system in Kent to keep traffic moving when there is disruption to travel across the English Channel.
- Manage the collection and enforcement of the Dartford Crossing charge.
- Maintaining responsibility for fulfilling government's M6 toll concession arrangements, including on-road signage and incident liaison.
- Operating and maintaining the M4 and M48 Severn River Crossings to ensure effective operation, service and safety.
- Maintaining a strategic salt stock as an emergency reserve for local highway

authorities, managing its allocation and coordinating its collection.

- Continuing the ongoing development and maintenance of design standards, guidance and specifications for all works on the motorway and all-purpose trunk road network.

Table 1 Enhancement schemes in construction and development during 2025/26

	Scheme	Region
In construction for the duration of 2025/26.	A428 Black Cat to Caxton Gibbet	East
	A46 Coventry Junctions	Midlands
	Mottram Moor Link Road & A57 Link Road	North West
	M25 Junction 10	South East
	A417 Air Balloon	South West
	M42 Junction 6	Midlands
	A47 North Tuddenham to Easton	East
	A47 Blofield to North Burlingham	East
	A52 Nottingham Junctions	Midlands
Opening for traffic 2025/26.	A63 Castle Street	North East
	M25 Junction 28	South East
Starting works in 2025/26.	M3 Junction 9	South East
	A47 Thickthorn Junction	East
In development during 2025/26. Future delivery subject to 2025 Spending Review.	A38 Derby Junctions	Midlands
	M54-M6 Link Road	Midlands
	A66 Northern Trans-Pennine	North West
	A46 Newark Bypass	Midlands
	M60/M62/M66 Simister Island Interchange	North West
	A47 Wansford to Sutton	East
	A12 Chelmsford to A120	East

Part 5: Statement of Funds Available

5.1 The total funding National Highways will receive for 2025/26 to deliver the investment plan outputs and performance outcomes listed in this document will be £4.842 billion, of which £1.455 billion is resource and £3.387 billion is capital.

Statement of Funds Available	Funding £m
Operations, Maintenance, Renewals and Business Costs	1,455 (Resource)
	1,951 (Capital)
Capital Enhancements	1,315
Future Enhancements Pipeline	32
Designated Funds	89
Interim Settlement Total	4,842

Glossary, References and Interpretation

To the extent a word is not defined in this document it shall be construed in accordance with the interpretation provisions of the Licence and/or the Framework Document and/or Infrastructure Act 2015.

Where a metric is referred to, the definition of the metric is set out in the Operations Metric Manual. This will be published on the National Highways website during the Interim Period.

Abbreviations and terms used

IPDP – Interim Period Delivery Plan

iRAP – International Road Assessment Programme; the programme provides tools for assessing and improving road safety performance.

KPI – Key Performance Indicator

ORR – Office of Rail and Road; the statutory independent Highways Monitor.

PI – Performance Indicator

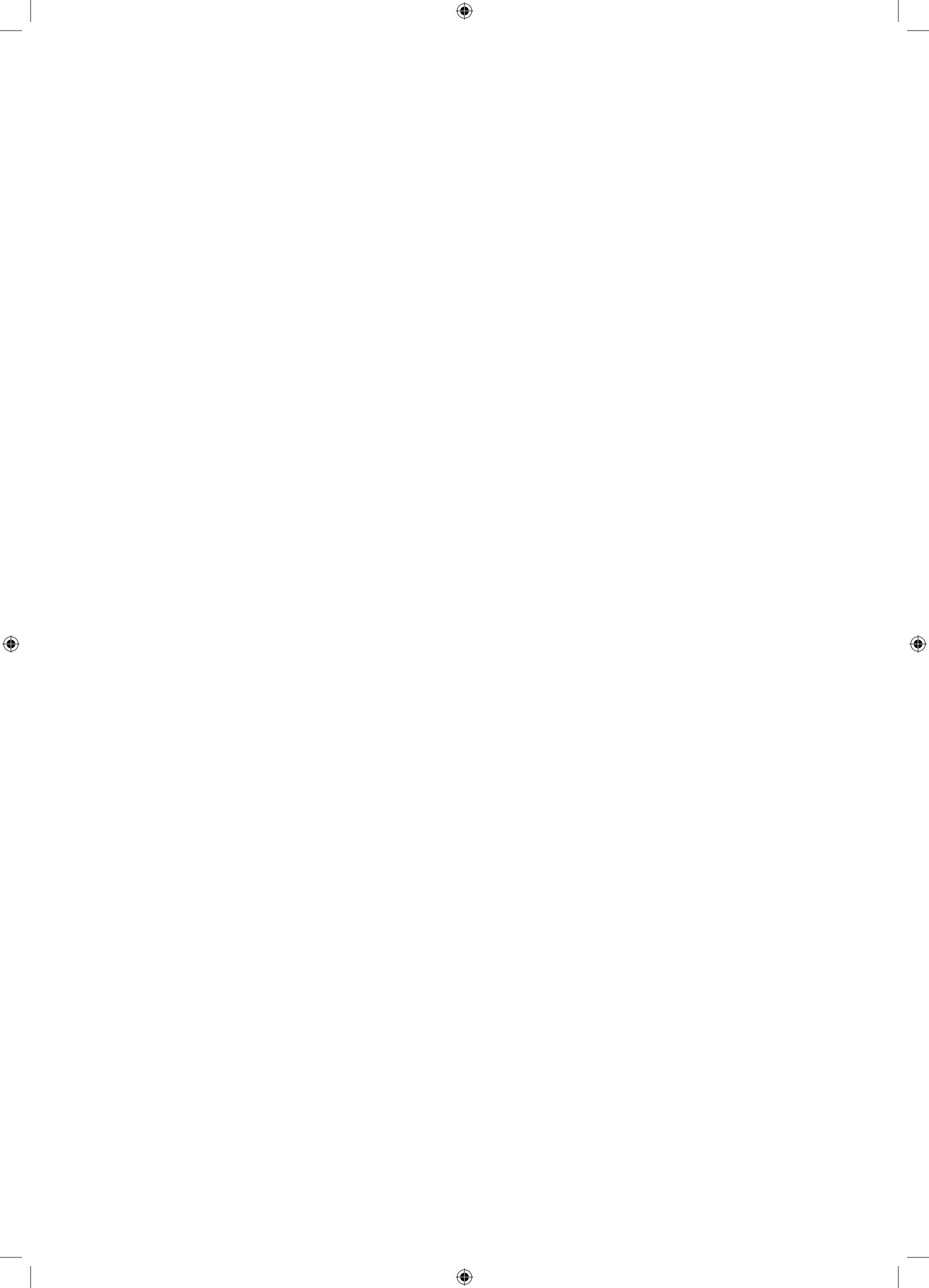
RIS – Road Investment Strategy; government's statement of its long-term vision for strategic roads, what it expects National Highways to deliver in the next road period, and the funding it will make available for that purpose. There have been two previous road investment strategies,

both covering a 5-year period: the first Road Investment Strategy (RIS1), published in 2014 and covering the first Road Period 2015-2020; and the second Road Investment Strategy (RIS2) in 2020 covering the second Road Period 2020-2025.

SRN – Strategic Road Network; the motorways and main ‘A’ roads managed by National Highways on behalf of government.

Photographic acknowledgements

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