Department for Transport

National Highways' Performance

Report to Parliament 2025/26

July 2026

Department for Transport

National Highways' Performance –

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Foreword

I am pleased to lay this report before Parliament covering the performance of National Highways, the strategic highways company responsible for the motorways and major A roads that form England's strategic road network (SRN). This report focuses on National Highways' performance and delivery of the Interim Settlement (2025/26), covering the interim period between road periods two (2020-2025) and three (2026-2031).

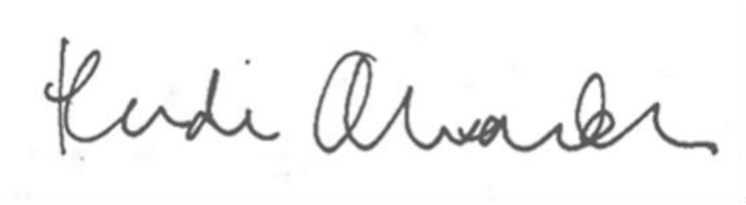
National Highways has delegated authority to manage the SRN, supported by investment from the Department for Transport, which acts as the client and sets the company's strategic performance and delivery requirements. The Office of Rail and Road (ORR) independently monitors and holds National Highways to account. The SRN is a vital piece of England's infrastructure that connects our towns and cities, ports and airports, and is relied on by millions of people and businesses every single day, carrying two-thirds of all freight and over a third of all motorised traffic in England.

This Government invested £4.8 billion in the SRN in 2025/26 with an increased focus on maintaining and renewing the network, while preparing for the Third Road Investment Strategy (RIS3) a £27 billion investment for 2026-2031, that supports the Government’s 10-year Infrastructure Strategy, laying the foundation for economic growth.

National Highways delivered all major enhancement milestones, including the completion of two schemes, the A63 Castle Street in Hull reducing congestion and improving access to the port and the M25 Junction 28 in Essex providing safer and smoother journeys for the public.

National Highways achieved nine of the 11 Key Performance Indicators (KPIs) and achieved or exceeded seven of the eight asset renewals performance targets during the interim period. Every life lost on our roads is a tragedy. While progress has been made in improving safety on the strategic road network, it is disappointing that the safety KPI to reduce the number of persons killed or seriously injured in 2025 by 50% compared to the 2005-2009 baseline is expected to be missed. We have ambitious aims for road safety, as set out in the Road Safety Strategy, and the Department is working closely with National Highways to ensure it fully plays its role in this.

Having published RIS3 in March, we will continue supporting National Highways to operate, maintain, enhance and renew the SRN, ensuring it meets the needs of road users by delivering a safe, resilient and reliable network, connecting communities and supporting growth and housing delivery across the country.



Rt Hon Heidi Alexander MP

Secretary of State for Transport

Executive summary

1. This is the Secretary of State's report to Parliament on the performance of National Highways from 1 April 2025 to 31 March 2026. It builds on advice from the Office of Rail and Road in its role as Highways Monitor, Transport Focus as the passenger watchdog and National Highways' own performance reporting.

2. In March 2025 the Department for Transport published the Interim Settlement, a £4.8 billion investment in England's strategic road network covering the 2025/26 interim period.

3. In the interim period National Highways successfully delivered two enhancement schemes and started works on another two schemes. Of the remaining 17 schemes in the portfolio at the end of 2025/26, 11 were in construction with another six in development.

4. National Highways achieved or exceeded nine of the 11 KPIs outlined in the Interim Settlement, but missed the KPI for reducing Corporate Carbon emissions and is not anticipated to achieve its safety KPI target for reducing the number of people killed or seriously injured (KSIs) on the SRN when the 2025 STATS19 road casualty statistics are published in July 2026. To support progress towards its safety target, National Highways was required in the Interim Settlement to deliver a series of safety improvements set out in its safety action plan for 2025/26. National Highways has delivered all the commitments in its safety action plan. National Highways also completed all 14 milestones from its customer and delay action plan.

5. In March 2026, the Department published RIS3, setting the expectations and funding for National Highways from 2026/27 to 2030/31. Overall performance saw an improvement on Road Investment Strategy 2 (RIS2), putting it in a stronger position going into RIS3.

1. Introduction

Purpose of the Report

1.1 National Highways was appointed as the strategic highways company by the then Secretary of State for Transport, by way of an Order made under Section 1 of the Infrastructure Act 2015. This report covers National Highways' performance and delivery for the year from 1 April 2025 to 31 March 2026, the interim period.

1.2 The Office of Rail and Road's Annual Assessment of National Highways' performance 2025 to 2026, and National Highways' Annual Report and Accounts 2026 will both be laid before Parliament and published.

1.3 This report draws on these documents and other advice to highlight key points of National Highways' performance and delivery over the past year.

Context

1.4 As the strategic highways company, National Highways was responsible for delivering the Interim Settlement, which provided shorter-term investment in the SRN, helping to kick-start economic growth, enable safe and reliable journeys, support planning development and maintain a resilient network while minimising the impact on the environment.

1.5 Following the end of the second road period on 31 March 2025, the period of 1 April 2025 to 31 March 2026 was covered by a one-year Interim Settlement. The Interim Settlement provided investment of £4.84 billion for the operation, maintenance and enhancement of the SRN, ensuring continuity of delivery and performance. This enabled RIS3 to be aligned with the outcomes of the Government’s Spending Review 2025, announced in June 2025.

Monitoring, Assurance and Oversight

1.6 Management and effective oversight of the portfolio is supported by an established governance framework with underpinning structures and processes.

1.7 For independent monitoring of National Highways, the Secretary of State is advised by the Office of Rail and Road (ORR) which scrutinises and reports on the performance and efficiency of National Highways. ORR has powers to hold National Highways to account, investigate and fine it for failure to deliver the RIS, Interim Settlement, or to act in accordance with its licence.

1.8 Transport Focus, the independent road user watchdog, gathers stakeholder views on the performance of, and their priorities for, the SRN. Its responsibilities are to secure improvements, make a difference to, and influence decisions on behalf of road users.

1.9 National Highways provides regular information to the Department and ORR to allow monitoring of performance and delivery. This includes progress against individual projects and programmes, as well as targeted KPIs, additional supporting performance indicators and other descriptive commitments set out within the RIS or Interim Settlement.

1.10 The Department's role as client includes overseeing progress and performance of the delivery of the RIS and working with National Highways to identify and manage risks at a portfolio level, supporting the company to take mitigating action where necessary and appropriate. The Department is also responsible for working with National Highways and ORR to set future Road Investment Strategies.

1.11 Tier 1 enhancement schemes, those over £500 million or identified as novel or contentious, are subject to additional scrutiny by His Majesty's Treasury (HMT) and the National Infrastructure and Service Transformation Authority (NISTA).

2. Capital Delivery

Major Enhancements

2.1 National Highways started 2025/26 with 11 major enhancement schemes under construction. These investments are key to reducing congestion and enhancing capacity on the network, improving safety, driving economic growth, and supporting access for housing and jobs across the country. National Highways committed to start works on two new schemes and complete two, opening them for traffic during the year. National Highways successfully achieved these commitments, commencing construction on both the A47 Thickthorn Junction near Norwich and the M3 Junction 9 in Hampshire, while completing work on the M25 junction 28 in Essex and A63 Castle Street in Hull.

2.2 The M25 junction 28 connects the A12 and the M25, as well as providing access to Brentwood via the A1023. This led to the junction facing congestion and delays, impacting local air quality. In February 2026, the M25 Junction 28 was completed and opened for traffic. These improvements include building a new two-lane loop road, the construction of new bridges, new signage and changes to the landscape including an improved non-motorised user route to provide safer and smoother journeys for the public when making their way through the junction via multiple forms of transportation including walking, cycling and wheeling.

2.3 The A63 Castle Street carries approximately 47,000 vehicles per day and frequently faces congestion. In March 2026, the A63 Castle Street enhancement scheme in Hull was completed and opened for traffic. This scheme created a new split-level junction, widened the eastbound carriageway to three lanes between Princes Dock Street and Market Place, and constructed a new bridge over the A63 at Porter Street. These improvements will reduce congestion, improve access to the port and provide connections between the city centre and local tourist and recreational facilities.

2.4 As part of the Government's Spending Review 2025, enhancements in development were assessed against multiple criteria, including quantitative assessments such as value for money (VFM), the contribution to government priorities such as growth and housing, impact on the environment and safety and more subjective criteria such as deliverability confidence. In July 2025, it was announced that two schemes, the A47 Wansford to Sutton and the A12 Chelmsford to A120, would be cancelled to keep the portfolio affordable.

Lower Thames Crossing

2.5 One of the enhancements in development is the Lower Thames Crossing (LTC). At Autumn Budget 2025, the Government committed a further £891 million to complete the publicly funded works for LTC, the final tranche of government support to enable the private sector to take forward construction and long-term operation. Including funding announced as part of the Spending Review and Autumn Budget 2025, and funding met from existing departmental budgets, the Government will have invested £3.2 billion in the LTC prior to the move to private finance, funding which has been critical to unlock private finance and set one of the UK's most significant infrastructure projects up for success.

2.6 The Autumn Budget also confirmed the Government's preferred financing option at this stage which is the Regulated Asset Base (RAB) model, as this is the best way of reducing the cost burden of the project to taxpayers. To do this, the model harnesses private investment, with a link through to charges on users, who are ultimately major beneficiaries of the scheme. A strong regulator will protect and promote user interests in how the Crossings are operated.

2.7 Since the budget, the Department, National Highways and colleagues from ORR and HMT, have been focused on early construction works (site compounds, environmental surveys and utilities works) and working to put in place the relevant legislation, regulatory framework and prepare for the move to the private sector.

Renewals

2.8 Renewals work addresses existing parts of the SRN that face deterioration with the potential to cause severe disruption to journeys on the network if left unchecked making it a key part of National Highways' asset management approach. In 2025/26, National Highways achieved seven out of its eight renewals output milestones, completing all asphalt and resurfacing projects, mitigating 52 flooding hotspots, delivering work on 81 structure renewals and 431 kilometres of vehicle restraint systems.

2.9 £112.2 million of funding was provided in 2025/26 for National Highways to progress schemes in its Large Renewals programme - made of significant structures and concrete road renewal schemes costing at least £50 million each - that will enter delivery in RIS3. National Highways invested £75.2 million in these schemes, resulting in an in-year underspend of £37m (33%) for the programme. This underspend was caused by delays to the M6 Lune Gorge scheme and to the concrete roads programme.

2.10 National Highways was allocated £120 million for roadside technology renewals focusing on CCTV and signs and signals. It successfully completed 560 upgrades across CCTV and signals, both within the agreed range that was set ahead of the interim period. They did not deliver within the range for signs with the position worsening in Q4 due to challenges with weather and supplier resource issues. Roadside technology missed the roadside signs target to renew at least 168 signs by 73 signs, only delivering 95.

2.11 In total, National Highways spent £89.6 million, an underspend of £30.4 million due to slippage and more efficient work costs. National Highways has now undertaken a comprehensive lessons learned exercise to address these and other issues to put them in a much stronger position for RIS3.

2.12 It is important National Highways embeds its lessons learned from the renewals underspend this year to ensure improved and efficient delivery of the renewals programme as it expands in RIS3. These include changes to governance and its stakeholder communications and engagement approach.

Designated Funds

2.13 Over the interim period, National Highways spent a total of £56 million on Designated Funds, a programme for investing in priorities across four categories to improve safety, support its customers and communities, foster innovation and improve environmental outcomes.

2.14 Designated Funds has supported the delivery of targeted safety improvement schemes on the SRN. As part of its 2025/26 safety action plan, National Highways delivered eight schemes using Designated Funds, intended to help reduce the number of people killed or seriously injured on the network.

2.15 The Customer and Communities Fund supported National Highways delivering against its active travel and freight priorities. Key schemes included the A52 Priory to Queen's Medical Centre improvement, of which National Highways completed important work to resurface the road, upgrade drainage and improve lighting on the East Midlands route that has suffered a number of collisions involving pedestrians and cyclists. The construction of a combined cycleway and footway on the eastbound side of the A52 has now created a safer and more accessible route.

2.16 Environment funding helps to create a more sustainable network, with upgrades to water quality assets through National Highways delivery of its water quality and asset improvement plans.

2.17 Upgrading lighting assets on the network to LED such as the completion of the M54/M6 lighting upgrade, further supported work to reduce carbon emissions with over 61% of the SRN now operating with LED lighting. Further lighting surveys planned for completion by June 2026 will continue identifying areas for improvement on the SRN.

3. Performance

Overview

3.1 In 2025/26, National Highways had a total of 11 KPIs, with two milestone-based action plans to supporting the safety and delay targets. National Highways' performance across the year has been largely positive as it achieved or exceeded nine of the 11 KPIs and delivered all the agreed milestones in its action plans. National Highways missed the KPI target for reducing corporate carbon emissions and is not anticipated to have achieved its KPI target for reducing the number of people killed or seriously injured (KSIs) on the SRN when the 2025 STATS19 road casualty statistics are published in July 2026.

Customer and Delay

3.2 The SRN operates as an open network meaning there are factors outside the company's control that will have an impact on the experience of road users and contribute to delays on the network. To demonstrate progress towards improving the user experience, National Highways published its customer and delay action plan for 2025/26 outlining a deliverable set of actions for targeted improvements.

3.3 The Average Delay KPI is measured by the number of seconds a car is delayed per mile, based on the difference between the observed travel time and the speed limit travel time. In 2025/26, National Highways worked towards meeting the Government ambition of Average Delay being 'no worse at the end of 2025/26 than the end of 2024/25', which was 11.8 seconds per vehicle per mile (SpVpM). National Highways achieved its delay ambition with a delay on the SRN in 2025/26 of 10.9 SpVpM - 0.9 seconds lower than 2024/25. Part of the reason for the reduction in delays was the completion of the National Emergency Area Retrofit programme (NEAR) roadworks that contributed to an increase in delay in 2024/25. However, there were areas not impacted by the NEAR programme that saw Average Delay remain stable or even reduce.

3.4 The Network Availability KPI measures the percentage of the SRN that is free from lane closures due to roadworks, where traffic flow remains unaffected. In the interim period, National Highways remained on track, achieving its target of 97.5% in November 2025 and maintaining the same level of performance, ending the year on target at 97.5%.

3.5 The Incident Clearance KPI improved by 0.6% from RIS2, with 89.3% of incidents cleared within one hour in 2025/26. National Highways used collision data to determine the areas of the network that faced the highest amounts of collisions or delay-invoking incidents and implemented a higher frequency of traffic officers stationed in and around those locations. This change provided National Highways with faster access to incidents and better oversight of those sections of the network, and therefore reduced the time needed to notify and clear them.

3.6 The Road User Satisfaction KPI measures the percentage of drivers that are satisfied with their journey on the SRN based on the Strategic Roads User Survey (SRUS) results. In 2025/26 National Highways had a target of increasing overall satisfaction by one percentage point in comparison to the 2024/25 score of 68.6%. National Highways used the interim period to research and develop its roadworks and traffic management plans with road users in mind, holding consultations to test planned traffic strategies and getting advice on the length and duration of diversion routes and ideal notification times, and improving overall management and delivery of diversion routes. This work, alongside other factors, helped National Highways exceed its 2025/26 target with overall satisfaction improving by 2.5% over the year to 71.1%.

3.7 A KPI that saw a larger improvement from RIS2 was the Roadworks Information KPI, based on the accurate notification of planned roadworks seven days in advance. This was an important metric towards improving the reliability of the network, helping to reduce the impact of diversion routes on local areas and preventable delays. This KPI concluded the year with an outturn of 76.1% of roadworks accurately notified, exceeding its 75% in-year target and improving on the 74.1% achieved in 2024/25. National Highways confirmed a reduction in severe weather effects and emergency roadworks allowed them to have the capacity to avoid cancellations to planned roadworks.

3.8 National Highways' action plan with 14 individual delivery milestones to support improvements that would impact both journey, delays and road user satisfaction, was delivered in full by the end of the interim period.

Safety

3.9 In the interim period, National Highways continued to work towards its existing RIS2 KPI target to reduce the number of people killed or seriously injured (KSIs) on the SRN by 50% by the end of 2025, against a 2005-2009 average baseline. As of 2024, the latest available year for validated road casualty data, National Highways had achieved a 38% reduction in KSIs against the baseline. The final outturn position for the KPI target will be confirmed when the 2025 STATS19 road casualty statistics are published in July 2026. However, based on the trend of performance to date, it is not anticipated that National Highways will meet its 50% reduction target.

3.10 In 2025/26, National Highways delivered all 10 commitments in its safety action plan for the interim period. This included delivering eight safety improvement schemes using designated funds, suicide prevention work and communications campaigns to support road safety. National Highways also undertook its two preparatory activities for RIS3, as referenced in its safety action plan.

3.11 In 2025, National Highways also completed delivery of all the outstanding actions it was reasonably possible to deliver as part of its enhanced safety plan. The enhanced safety plan was produced by National Highways in March 2024 and contained 43 actions, in addition to its existing RIS2 commitments, to be delivered between 2024 and the end of December 2025. Overall, National Highways has delivered 41 actions through this plan, including targeted local safety interventions and communications campaigns.

3.12 Further detail on the actions in National Highways' 2025/26 safety action plan and its enhanced safety plan has been reported by the Office of Rail and Road in its latest annual assessment of safety performance on the SRN, published in March 2026.

Environment

3.13 The SRN serves a range of different user groups, each with different needs. Alongside this, consideration must be given to those who live and work alongside the network and the environments that the SRN runs through. For the Interim Settlement, National Highways was set three environmental KPIs covering biodiversity, corporate carbon emissions, and noise.

3.14 National Highways' biodiversity target for the interim period was to complete validation and assurance of at least 2,700 biodiversity units. These units were delivered towards the end of RIS2 but not accounted for during the period. National Highways met the target; validating and assuring a total of 3,061 units in 2025/26.

3.15 The corporate carbon KPI targeted National Highways to reduce its corporate carbon emissions by 75%, requiring it to emit less than 38,013 tonnes of CO2 (tCO2e) over the year through its corporate activities, in comparison to the 2019-20 baseline of 152,053 tCO2e. National Highways ended the year with emissions of 41,727 tCO2e, equating to a 73% reduction against the baseline, missing the target by 3,714 tCO2e. Reasons for this included an increase in vehicle purchasing activity in 2025/26 due to National Highways proactivity electrifying its light fleet that resulted in a 3,900 tCO2e increase in emissions compared to 2024/25 which involved absorbing the whole life carbon totals as a requirement of net-zero goals. However, this will see a long-term positive impact due to the reduction to daily carbon emissions that will follow an electrified fleet and will contribute to the positive upwards trend of carbon reductions seen in the interim period with changes to fuels and asset transportation.

3.16 National Highways target for the interim period was to develop a noise mitigation plan for RIS3. This plan has been produced and sets out at a high level how National Highways intends to deliver noise mitigations for 5,000 households across the third road period.

Maintaining the network

3.17 In the interim period, National Highways had a targeted pavement condition KPI measuring the condition of road surfaces across the SRN. This is supported by National Highways' use of the deterioration modelled in its Programme Investment Tool to identify and renew deteriorated locations, improving safety and minimising damage to vehicles on the SRN. National Highways achieved 96.3% of the network surfaces in 'good condition' at the end of the year through delivery of its planned maintenance and renewal programmes, meeting its Interim Settlement target of 96.2%.

3.18 A performance indicator that tracked the availability of roadside technological assets covered Stopped Vehicle Detection systems (SVD), CCTV equipment, Speed and Warning signs and the time taken by National Highways to set signs on Smart Motorways.

3.19 SVD and CCTV availability in the interim period consistently scored above 97% in every month over the 12-month period and ended the interim period with scores above 98%.

3.20 The availability of Speed and Warning signs such as advanced motorway indicators (AMI) and multi message signs (MMS), was the only group to fall short of the National Highways internal target of 95%, only achieving scores of below 93% over the 12-month period and finishing the year with an availability of 92.53%.

Financial performance

3.21 In 2025/26, Government provided £4.84 billion in funding National Highways. Of this, the company invested £1.51 billion on enhancements, £1.26 billion on renewals and £207 million operating and maintaining the network.

3.22 Achieving efficiency is a key part of roads investment and National Highways normally has monetised efficiency targets to meet in five-year road investment periods. As efficiencies are normally achieved over longer periods, the one-year Interim Settlement instead required the company to evidence efficient delivery in 2025/26 through performance reporting to ORR. National Highways provided analysis and case studies from across its in-year activities which enabled ORR to conclude National Highways was able to demonstrate efficient delivery during the interim period.

3.23 Over 54% of the Interim Settlement portfolio is rated as providing High or Very High value for money, with a weighted benefit cost ratio of 2.0 across the entire portfolio, meaning the economy will see an estimated return of £2 for every £1 of investment. This is calculated using the Department's new appraisal guidance that reflects higher freight values in scheme core assessments.

Annex A: Changes to the Interim Settlement

A.1 This section highlights changes made to the Interim Settlement during the interim period.

A.2 Major enhancements cancelled in 2025/26 and removed from the Interim Settlement portfolio;

- A12 Chelmsford to A120
- A47 Wansford to Sutton

A.3 Changes to Key Performance Indicators in 2025/26.

Key Performance Indicator	Original Target	New Target
4.1 Biodiversity	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.	National Highways to record the delivery of at least 2,700 Biodiversity Units during 2025/26. These are units that have been delivered during 2024/25 but are currently subject to assurance and validation.

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