

Department for Transport

Funding decisions on local authority major transport schemes

The Secretary of State for Transport (Justine Greening): Following the 2010 Spending Review the Government committed to a £1.5 billion programme of investment in major transport schemes promoted by local authorities, recognising the impact that such schemes can have on growth and the economy.

Our aim was to ensure that the programme of investment for the spending review period would be affordable, would promote growth and would achieve better value for money for the taxpayer. All local authority promoters with schemes already in the pipeline were challenged to improve their scheme design, reduce costs and secure a greater proportion of funding from local sources.

In February 2011 we confirmed funding for the first 9 of these schemes and announced an expanded Development Pool of 45 schemes that would be considered in more detail.

The local authority promoters of the Development Pool schemes were invited to submit revised funding bids in September 2011. Funding for 20 of these schemes was confirmed on 29 November as part of the Autumn Statement.

I am today announcing funding for a further 21 schemes as follows. These represent a mix of road and public transport schemes across England.

- A684 Bedale-Aiskew-Leeming Bar Bypass¹
- Bath Transportation Package
- Beverley Integrated Transport Plan
- Camborne-Pool-Redruth Transport Package
- Chester Road (Birmingham)
- Coventry-Nuneaton Rail Upgrade
- Croxley Rail Link (Watford)
- Darlaston (Walsall)
- Elmbridge Transport (Gloucester)
- Leeds Inner Relief Road Maintenance
- Loughborough Town Centre Transport Scheme
- Luton Town Centre Transport Scheme
- Morpeth Northern Bypass
- North Fringe to Hengrove BRT (Bristol)
- Norwich Northern Distributor Road (NNDR)²
- Nottingham Ring Road
- Pennine Reach (East Lancs Rapid Transit)
- South Yorkshire Bus Rapid Transit Phase 1 (Sheffield/Rotherham)
- Sunderland Strategic Corridor
- Weston Package
- Worcester Transport Strategy.

¹ The Department has offered North Yorkshire County Council a lower level of funding than that applied for. The Council has until the end of January 2012 to accept this offer.

² Subject to Norfolk County Council agreeing to fund a package of sustainable transport measures in Norwich City Centre.

This is a major programme of investment. The schemes announced today will cost £854m with a DfT contribution of up to £586m in this spending review period and beyond. The total DfT contribution to all 41 schemes will be up to £972m, compared to the £1.575bn that was previously requested for these schemes prior to the spending review – a 38% reduction. This means that a far greater number of schemes can go ahead than would otherwise have been the case.

All the schemes announced will now be able to progress towards construction subject to securing any remaining necessary planning and statutory approvals and subject to confirmation of value for money where material changes to the scheme have been proposed.

We are not yet able to make decisions for a further four of the Development Pool schemes.

In two cases, we have not yet been provided with sufficient evidence to allow us to assess the schemes' value for money. These are the Leeds New Generation Transport (Trolleybus) and South Essex Rapid Transit schemes. In these cases the promoters will have until 31 March 2012 to provide the necessary additional information, and we will make decisions within two months of receipt.

The Waverley Link Road proposed by Rotherham Borough Council is opposed in its current form by Sheffield City Council, whose land is required for the proposed route. We recognise that there is a case for additional transport capacity in this area but the currently proposed scheme does not appear to be deliverable. We are inviting Rotherham to work with Sheffield and other stakeholders and to propose a resolution to the issue by 31 March 2012.

We recognise the critically important role that transport improvements could play in the regeneration of the Bexhill-Hastings area and the economic case underpinning the Bexhill-Hastings Link Road, though we are also aware of concerns regarding the proposed scheme, including its environmental impact.

Before we take a final decision on the scheme we want to be sure that it offers the best approach for regenerating the area and also to consider other transport options to achieve this, including local trunk roads such as the A21, A259 and local rail. We also want to consider whether further environmental mitigation measures could be deployed to address the impacts of the proposed Bexhill-Hastings scheme.

Over the next three months the Department will work alongside the scheme's promoters and other local and regional partners to gather further evidence on the optimal solution for the area. We would intend to make a decision swiftly thereafter.

Details of each of the schemes and the funding offered by the Government are available on the DfT website and will be followed by a more detailed document setting out the details of our decision making process, and information on our assessment of the schemes.