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Roads and railways earn top billing in UK investment programme

By Elizabeth Rigby and James Pickford

Danny Alexander fleshed out the coalition's promise to deliver the biggest investment in roads and railways for "half a century" on Thursday.

The chief secretary to the Treasury said more than £28bn of funding would be spent in the next parliament on patching up potholes, resurfacing motorways and upgrading some of Britain's busiest roads including the A14 to Felixstowe port, the M1, M4 and M6.

The government also committed to longer-term planning for the road network, promising to turn the Highways Agency into a publicly-owned corporation, with a five-year programme of work and funding.

Stephen Glaister, director of the RAC Foundation, described the decision as "radical", adding: "This will create a legally enforceable system to support a programme of work, and matching funding, for our roads."

The CBI employers' group said the decision was the "first step" towards changing the "current patch-and-mend, stop-start approach to the road network", but said the government needed to do more to attract private sector investment into Britain's roads.

Mr Alexander said he would bring forward the £1.5bn upgrade of the A14 by two years, with work starting in 2016 to tackle bottlenecks on the road that links the country's manufacturing base in the Midlands with the UK's largest container port.

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UK chancellor George

The government will pay for the upgrade upfront and then put a tolled section on the road to recoup some of the cost. There will also be a series of feasibility studies for new road projects such as an upgrade to the A303 that links London to the west country and the trans-Pennine routes.

The announcements came after George Osborne, the chancellor, on Wednesday singled out the transport department with the biggest increase in its capital budget with a 5.5 per cent real-terms increase to £9.5bn.

Osborne has set out plans to extend his austerity programme into the next parliament

On rail, Mr Alexander said the £30bn of rail investment made the coalition the “most pro-rail government in modern history”. He insisted that the surprise £8bn budget increase for HS2 would not come at the expense of any other rail schemes as he committed £16bn towards the high-speed project during the next parliament.

He also committed £2m to a feasibility study into Crossrail 2, a proposed north-south rail route across London, but threw down the gauntlet to Boris Johnson to find the rest of the £10bn-£15bn costs from private sources. The mayor of London, visiting Crossrail’s Tottenham Court Road site yesterday morning, said he had “no doubt” he could rise to the challenge.

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