

Regional Funding Allocations (RFAs)

The Secretary of State for Transport (Douglas Alexander): Last July we sought advice from English regions on their priorities for major transport projects up to 2015/16. I am today responding to that advice.

The Government has, for the first time, given regions a say in decision-making about transport schemes that affect them at the regional and local levels. It has been the first opportunity for the RDA, Regional Assembly, their local authority partners and other key interests to consider together their transport programmes against the region's high level objectives, and to develop a realistic, prioritised and affordable programme which offers the best overall contribution to meeting those objectives. They have worked together to identify which of the many proposals before them should go forward, and in what timescale. They have without exception devoted considerable care and effort to developing their advice, and to securing a consensus on what needs to be done. I applaud the considerable progress which has been made.

I intend to seek views widely on how the process might be further enhanced. Taking those views into account, I expect to seek further formal advice on transport priorities within the next two years.

This current advice has been provided against a **background of increased and sustained investment in transport** under this Government. We have increased spending on regional and local major transport schemes by around 50% (in real terms) since 2001/02, and the indicative budgets on which the regional advice is based sustain this record level of investment over the ten year period.

As a result of this increased provision, a large number of schemes are currently **underway** across the country. These include, outside London, 35 local authority major schemes (generally costing over £5 million) as well as 12 Highways Agency schemes on routes of regional importance. In addition, in the light of the regions confirming their priority, I am today giving final approval to a further 5 local authority schemes, allowing them to proceed to construction or implementation in the next few months.

The regions have also advised on schemes **at earlier stages following initial Government approval**. Reflecting that advice, I expect to fund 78 of these schemes in future years, subject to the schemes securing powers, continuing to deliver good value for money and controlling their costs.

The regions have also recommended some **new schemes that had not been previously approved**. I am today approving 17 of these for entry to the regional programmes, following our assessment of their business cases. This is an important first step for these schemes, which in many cases will now need to seek statutory powers. Other recommended new schemes need further work and assessment, but subject to that being completed satisfactorily, we would expect at least a further 90 schemes to be added to the programmes over the next ten years. Further priorities may emerge in later years.

Given that the regions have looked at priorities across their region and against wider objectives for the first time, it is not surprising that they have concluded that, in some cases, schemes that had previously been approved are not their highest priority. I am accepting their recommendations that 6 schemes in the Highways Agency's Targeted Programme of Improvements and 9 local authority schemes should not be funded in the RFA period. All other schemes previously approved are expected to progress, though in 8 cases, reflecting the regions' priorities, they will proceed to a significantly different timescale than had previously been planned.

I am today writing to each region responding to their advice and giving details of the schemes that we expect to fund. I am placing copies in the libraries of both Houses.