

## **Transport Innovation Fund (Productivity)**

**The Secretary of State for Transport (Mr Douglas Alexander):** In June, I announced that the first schemes to be considered for funding from the productivity strand of the Transport Innovation Fund fell into two priority themes which fitted with the key objective of supporting national productivity.

We considered a number of strategic rail freight schemes which could improve the capacity and resilience of the strategic national freight distribution network. We also considered several strategic road network schemes involving improved traffic management techniques which could help to make the most of capacity at key pressure points.

I am pleased to confirm that after initial scrutiny a number of these schemes have shown that they have strong potential to provide a significant benefit to national productivity and to demonstrate high value for money. These schemes would all fit well with Rod Eddington's recommendations to address the constraints of our congested and growing city catchments, key inter-urban corridors and international gateways.

My Department will now be working with Network Rail to take forward work on the detailed case for TIF funding for the following rail freight schemes: the re-instatement of Olive Mount Chord at Liverpool (including Chat Moss), the Humber ports/Immingham rail capacity enhancement, gauge and capacity enhancements from Peterborough to Nuneaton, and gauge enhancements from Southampton to the West Coast Mainline near Birmingham. My Honourable Friend the Parliamentary Under Secretary for Transport, the member for Glasgow South has similarly agreed that work should be taken forward on the Gospel Oak to Barking line scheme, in which I have an interest. Particularly if some or all of these schemes were taken forward together, they would greatly enhance the capacity of the railway to move modern, larger containers that would otherwise have to move by road.

We will work with the Highways Agency to develop the case for TIF funding for the traffic management schemes on the Birmingham Motorway Box and the M62 (Leeds Bradford). We will also be asking the Highways Agency to do further work on the A14 traffic management scheme.

Consideration of TIF funding for some of these schemes will be dependent on confirmation of funding contributions from regional bodies and private sector beneficiaries. We will be making final decisions on the allocation of funding as these schemes develop and in the light of my Department's detailed investment appraisal and business case scrutiny process.

There were three other prospective schemes, the A1, M1, M11 Resilience, the Teesport / East Coast Mainline rail gauge enhancement, and A14 Widening (Ellington to Fen Ditton) scheme.

No clear proposals were put forward for the A1, M1, M11 scheme and therefore it has not been taken through to the next stage of consideration. The A14 Ellington to Fen Ditton scheme is subject to further consultation and it would, therefore, be inappropriate for us to pre-judge the outcome at this point. However, we do recognise the need to deliver this scheme as quickly as possible, subject to the outcome of the necessary consultation and statutory procedures.

The Teesport/East Coast Mainline rail gauge enhancement scheme fitted well with our strategic approach, but the scheme was not sufficiently developed to enable an accurate appraisal to take place. Network Rail have, however, been working with the Northern Way and other stakeholders to develop a wider Northern "W10 gauge" strategy for routes to markets for the major Northern ports, in which Teesport would be a key element. We look forward to seeing the outcome of this work.

Decisions have not yet been taken on the future criteria or method for allocating Productivity TIF resources, but, subject to meeting the criteria, these schemes would be eligible and will be considered for future rounds of TIF funding.