

Civil Engineering Contractors Association (South West)

- Jason Hones
- Regional Director (South West)



Politics

- New new Government
- New SoS – ~~Anne Marie Trevelyan~~
 - Mark Harper
- New Roads Minister – ~~Katherine Fletcher~~
 - Richard Holden
- Fiscal event of 17 October
 - £55Bn black hole
 - Maintain £600bn of capital investment
- Growth, delivery, re-election
- Predictable and stable programme
- Efficiencies and productivity



December 2022

Politics

- New Government
- New SoS – Louise Hague
- New Future of Roads Minister – Lillian Greenwood
- Chancellor's statement of 29 July 24
 - £22Bn black hole - £2.9bn of which is unfunded transport commitments.
 - Cancel A303 and A27 Arundel Scheme
- Growth, green energy, housing



September 2024

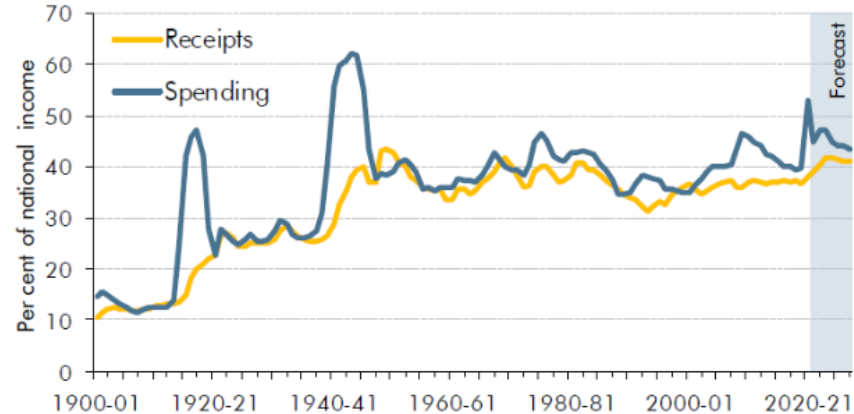
New Government's inheritance (OBR forecasts)

- Forecasting a £87.2Bn deficit BEFORE implementing any manifesto pledges
- BUT dropping to £39.4Bn annual deficit in 28/29

Publications **In-depth** Data News Articles About FAQs Contact Q

When total spending in a year is higher than total receipts, the Government needs to borrow to cover the difference. This gap is known as the budget deficit or 'public sector net borrowing'. When receipts are higher than spending, the government runs a surplus. Deficits and surpluses are similar to losses or profits for a company.

The gap between receipts and spending



Source: ONS, OBR

In 2024-25, we expect a deficit of £87.2 billion or 3.1 per cent of national income. This is a sharp fall from the 2020-21 peak of £314.7 billion, which was the highest since the second world war. Over the five-year forecast, we expect the growth in receipts to outpace that of spending and the deficit to fall. We expect the deficit to be £39.4 billion in 2028-29 when receipts are expected to be 41.2 per cent of national income and spending 42.5 per cent.

Swings into deficit have become steadily more pronounced over the post-war period. And budget surpluses have been achieved in only 10 years since 1948 and only three years since 1971-72.

A brief guide to the public finances

- Introduction
- Overview
- Income
- Spending
- Deficits or surpluses
- Debt
- International comparisons

Brief guides and explainers

- Brief guides and explainers
- A brief guide to the public finances
- The direct fiscal consequences of unconventional monetary policies

Forecasts in-depth

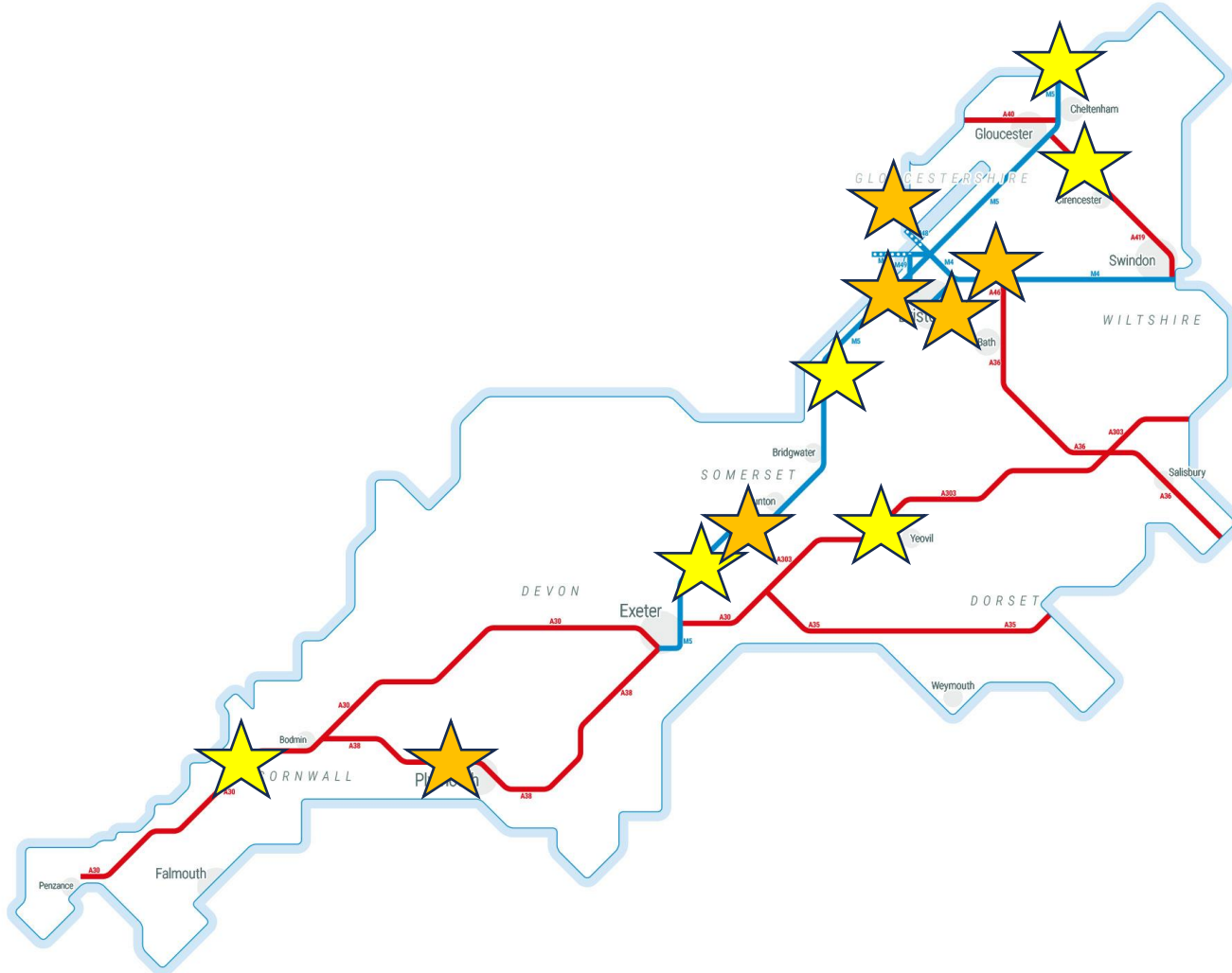


Meeting the new MPs

- *Thank you to National Highways for a really constructive first meeting. There was a lot of ground to cover, including the safety concerns on the A38 and the much needed upgrades to the tidal flow lighting on the Tamar bridge and tunnel.*
- *I will be meeting regularly with all involved, and will make sure people are kept fully updated as works progress in the autumn.”*

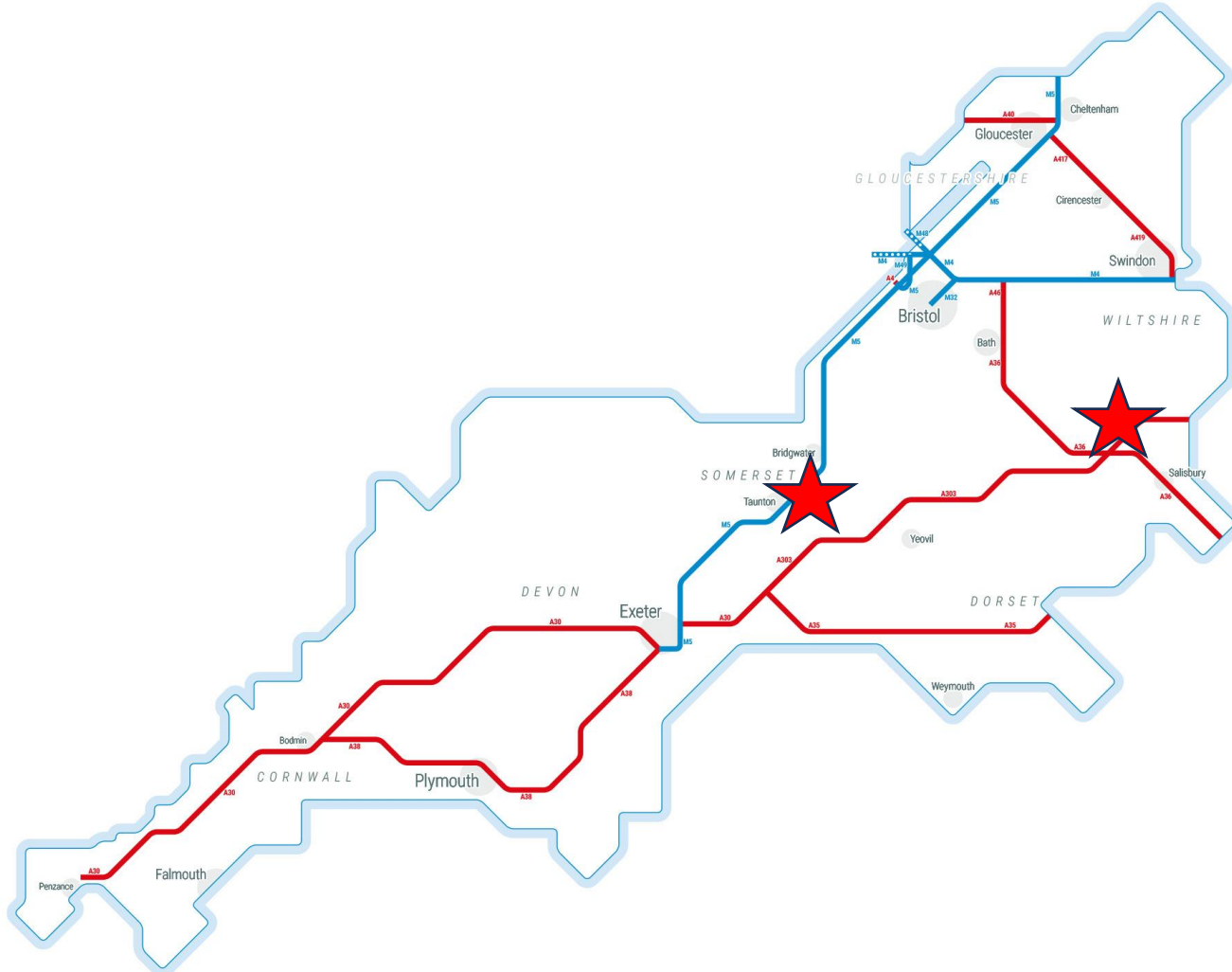


Current delivery / plans



- Operations:
 - 24/25 - £140m of total capital spend
 - 25/26 - £170m of total capital spend
- Key major projects in region:
 - M5J10 in DCO
 - A419 (Air Balloon)
 - M5 J22A / Agratas
 - A303 Sparkford
 - Cullompton Town Centre Relief Road
 - A30 Carland Cross to Chiverton
- Key major renewals in region:
 - M4 Wick Wick Bridge
 - M4 POW bridge resurfacing
 - M32 Eastville
 - M5 Wynhol
 - M5 Willand concrete road resurfacing
 - A38 Saltash Tunnel

Current delivery / plans



- A303 Stonehenge – cancelled; reviewing implications with Wiltshire Council
- 30 July – Written Ministerial Statement announcing a review into the DfT’s capital spend portfolio
- HM Treasury is conducting a spending review covering this financial year 2024/2025 and next year 2025/2026, which will conclude in October 2024
- RIS 3 (2025-2030) not signed off
- A358 Taunton to Southfields – paused:

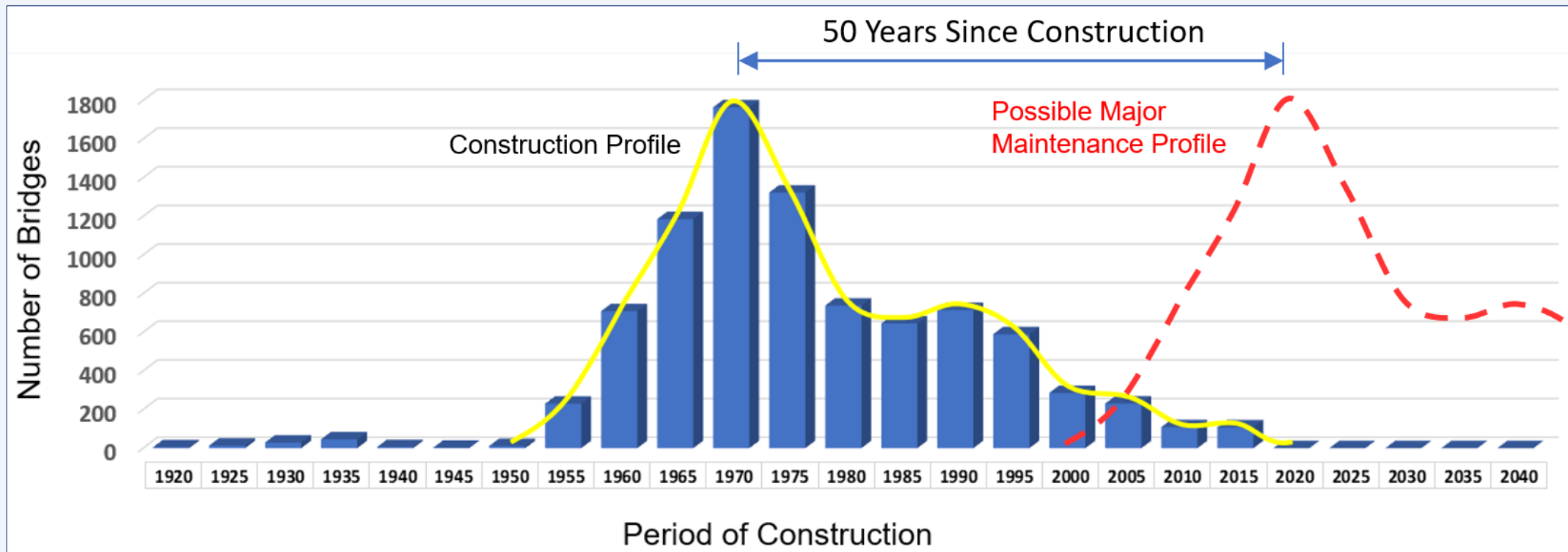
“The scheme has been paused in its current form due to a number of affordability challenges. The Preferred Route Protection remains in place while the future of the scheme is being considered by government as part of a wider review. We are therefore unable to confirm the future of the scheme until this process has concluded.”

Am I worried about this? (1/3)

- Labour manifesto pledges:
 - 1.5 million homes to be built = infrastructure
 - Green energy = infrastructure
- State of the network

State of the Network - Structures

- National Highways maintain **23,700** Structures, of which **9,390** are bridges.
- We carried-out **12,141** inspections in 2023/24.
- We have **68** bridges with special measures to keep them safe.
- Accurate and consistent condition data from regular inspections is key to building a renewals programme that supports a safe and reliable network.



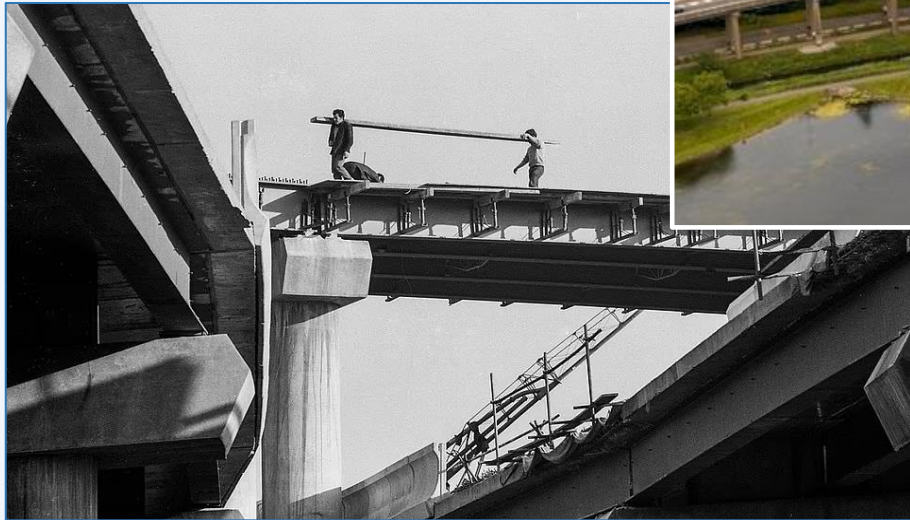
Highway Structures, Connecting our Country



M5 Wynhol Viaduct

M6 Gravelly Hill Interchange (Spaghetti Junction)

Opened in 1972 at a cost just under £11m



‘An Iconic structure, built in the 70’s and now a legacy to maintain.’

Network Defects



‘A challenge for our resources and a frustration for our Customers.’

Network Incidents



‘A challenge for our resources and a frustration for our Customers.’

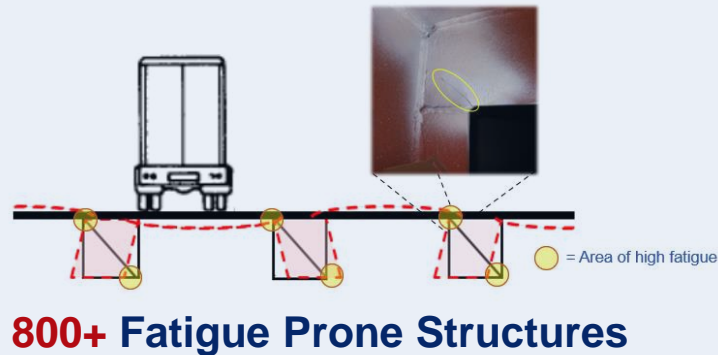
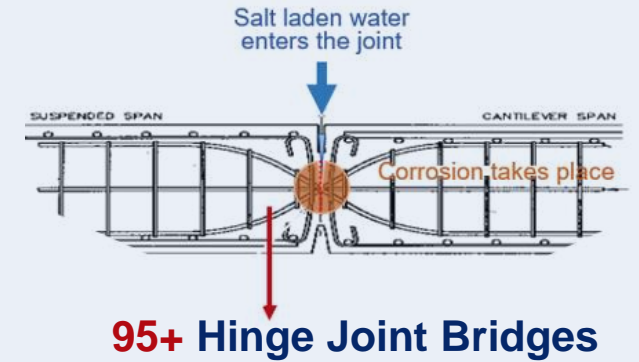
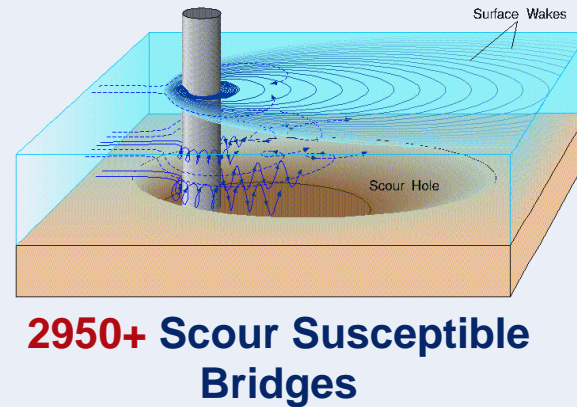
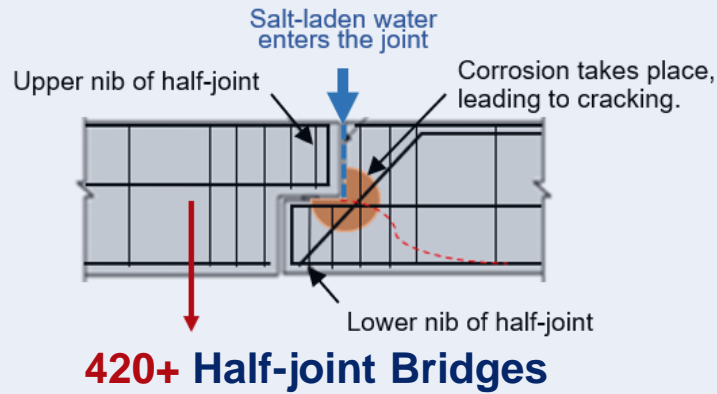
M5 Avonmouth Bridge

50 years old! Opened in 1974 after extensive strengthening.



A vital link to the southwest, but one that requires constant maintenance.

Our 'Priority Risk' Structures

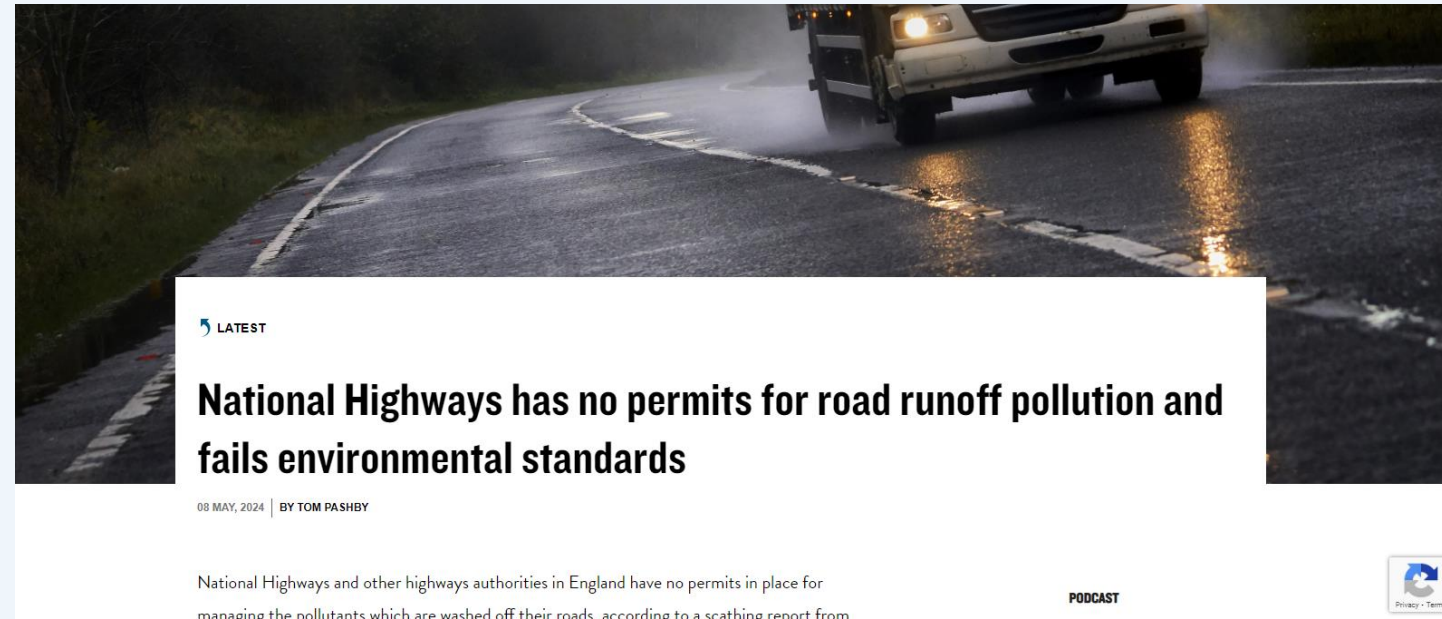


Priority Risk Structures all have hidden critical elements, that require special management actions to be followed, to control risk.

Just like our Cable Supported Bridges.

State of the Network - Drainage

- National Highways maintains:
 - 10,000 kms of filter drains
 - 100 ponds
 - 7,300 kms of ditches and channels
 - 18,083 drainage outfalls
- 1,236 outfalls and soakaways considered potentially high or very high risk of polluting
- Assess 256 will need addressing in RIS3.



State of the Network - Litter



Am I worried about this? (2/3)

- State of the network
 - Renewals plan of £1.2bn in SW for 2025-2030
 - Maintenance plan of £500m for 2025-203
 - Enhancements will flow to government's new agenda – Cullompton Town Centre Relief Road an early indicator?
- DBFO routes (A30/A35 and A417/A419) return to NH in 2026 – add 15% more network to SW
- **Return of PFI?**

UK Chancellor Rachel Reeves is considering using private finance for the £9bn Thames tunnel road project. The toll-based Lower Thames Crossing could be concessioned on an indefinite or 125-year contract, the FT reported, citing unnamed sources close to Treasury discussions. The proposed 14-mile LTC connecting Kent and Essex has not been approved yet with a decision now expected in October.

[Project Finance International](#)
- **Court backs government's A38 flyover scheme**

National Highways said the works could now begin, subject to the new Labour government's review of spending on capital projects. Public consultations about improving the A38 in Derby began 23 years ago but the plans have been consistently paused and redesigned. [Highways News \(Web\)](#)

Am I worried about this? (3/3) ... and what I need from you

What SoS said

- “ensuring that transport infrastructure can be delivered efficiently and on time.”
- “and to deliver value for money for taxpayers”

What I need from you

- Predictable and reliable delivery
- Expect an ‘efficiency challenge’
- Continue to build the bow-wave of positive delivery news
- delivering quicker and better

CECA (SW) Opportunities

- Key major projects in region:
 - M5J10 in DCO
 - A419 (Air Balloon) – **delivering now**
 - M5 J22A / Agratas
 - A303 Sparkford – **delivering now**
 - Cullompton Town Centre Relief Road
 - A30 Carland Cross to Chiverton – **delivering now**
- Key major renewals in region:
 - M4 Wick Wick Bridge – **delivering now**
 - M4 POW bridge resurfacing – **delivering now**
 - M32 Eastville
 - M5 Wynhol
 - M5 Willand concrete road resurfacing – **delivering now**
 - A38 Saltash Tunnel – **delivering now**
- NH SW enhancements ~£??
 - RDP ends 2026 / Major projects framework - TBC
- NH SW renewals ~£1.2Bn/RIS3:
 - SDF / SDF2 2026
 - PDF / PDF2 2026/7
 - CPMS 2026
- NH SW maintenance and response ~£300m/RIS3:
 - DBFO return 2026
 - M&R / M&R2 2028

Any questions?

18/09/2024

