



**The Rt Hon George Osborne MP**  
**Chancellor of the Exchequer**

HM Treasury  
1 Horse Guards Road  
LONDON, SW1A 2HQ

10 June 2013

**Dear Chancellor,**

#### **Wider benefits of capital spending on maintaining and improving existing roads**

We are writing as representatives of different road users and community interests to call for the Spending Round to significantly increase funding for maintenance of the current road network and not fund new major road-building projects.

**A focus on maintenance in the coming Spending Round could help address the growing £10.5 billion deficit in road and footway maintenance, while being cost-effective and quickly bringing gains for a variety of road users and the wider community and economy.[1]** If the maintenance deficit is not tackled now, road condition will deteriorate further so it would cost more to solve in future.

This could be done through a dedicated Road Repair and Renewal Fund and, in supporting this proposal, we join a wide range of other groups, including the Federation of Small Businesses and the Construction Products Association[1], the British Chambers of Commerce[2], The Sun newspaper and public opinion more generally – polls show that around twice as many people say they are concerned about the condition of roads and pavements as name congestion as an urgent transport problem.[3]

Repairing potholes and structural problems with roads would benefit people walking, cycling and using other forms of transport not to mention commercial vehicles. However, the 'Renewal' aspect of the fund refers to the significant additional gains that would be achieved if repair work was combined with other measures. It makes sense to take the opportunity given by resurfacing or repair work to retrofit improvement measures to correct design failings of older roads and bring them up to modern standards. These improvements should include:

- Better conditions for physically active travel, such as crossings, footways, cycle facilities and other safety improvements in particular to junctions
- Bus priority measures and High Occupancy Vehicle lanes
- Removing unnecessary and redundant signage
- Measures to reduce traffic noise, such as screening and new surfaces
- Smarter street lighting that uses less electricity and causes less light pollution



Evidence from the United States' 2010 American Recovery and Reinvestment Act shows that repair projects are excellent value for money and that spending on them creates more jobs per dollar than building new roads.[4] We believe that taking an integrated approach and combining repair with renewal would bring wider and more comprehensive economic benefits than simple repairs, and that it would be much more economically efficient than carrying out such projects separately.

As Campaign for Better Transport has previously noted, repair projects do not face the planning hurdles of large roads, and can therefore start to create jobs and economic benefits more quickly than major projects. Money from a new fund could be provided to Local Authorities almost immediately, without complex grant schemes or delays, through the normal Maintenance Block into Local Transport Plan budgets.

In summary, we believe that focusing new spending on major road-building projects would be a huge missed opportunity as well as environmentally damaging.

Because of the benefits to all road users, the wider community and the economy, we urge you to focus capital spending on repairs and to create a long-term Road Repair and Renewal Fund in the coming Spending Round.

Yours sincerely,



**Stephen Joseph**  
Chief Executive,  
Campaign for Better  
Transport



**Gordon Seabright**  
Chief Executive,  
CTC, the national cycling  
charity



**Tony Armstrong**  
Chief Executive,  
Living Streets



**Shaun Spiers**  
Chief Executive,  
Campaign to Protect Rural  
England



**Malcolm Shepherd**  
Chief Executive,  
Sustrans

cc

The Rt Hon Patrick McLoughlin MP, Secretary of State for Transport  
the Rt Hon Danny Alexander MP, Chief Secretary to the Treasury  
Norman Baker MP, Parliamentary Under-Secretary of State for Transport  
Stephen Hammond MP, Parliamentary Under-Secretary of State for Transport

Notes:

1. Annual Local Authority Road Maintenance (ALARM) Survey (Asphalt Industry Alliance) 2011
2. <http://www.bettertransport.org.uk/media/05-Nov-road-repair-fund>
3. BCC Budget submission, 2013: <http://www.britishchambers.org.uk/press-office/press-releases/bcc-budget-submission-chancellor-must-reprioritise-spending-towards-growth-and-prosperity.html>
4. Transportation Funding and Job Creation. Smart Growth America, February 2011