

Client: Association for Consultancy and Engineering
Source: The Northern Echo (North Edition) (Main)
Date: 24 October 2013
Page: 8
Reach: 36740
Size: 256cm2
Value: 1620.48



'Congestion is costing region £307m a year'

By Joe Willis

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INEFFICIENCIES in the North-East road network are costing the region £422m a year, a study has revealed.

The report, by the **Association for Consultancy and Engineering (Ace)**, claims that by 2020, the region will have lost £3.4bn through a lack of investment in the roads.

The study, *Funding Roads*, calculates that congestion is one of the biggest causes of inefficiency, with vehicles stuck in traffic costing the region £307m a year in lost economic output.

Fuel used by motorists held up by congestion costs a further £48m, while damage to vehicles caused by potholes costs £17m.

The report reveals that the Government spent £455m on North-East roads in 2010-11 – however this only equated to about 27 per cent of the money raised through road

taxation. Ace is urging ministers to ring-fence vehicle excise duty (VED) for spending on roads, with an increase in the tax balanced by an equivalent reduction in fuel duty.

David Hodgson, Ace North-East chairman, said: "Historically, government has always spent only a fraction of the monies collected in VED and in fuel duty on roads.

"This represents a missed opportunity to dramatically improve the economic performance of ambitious regions like the North-East, while also reducing the local cost of living.

"Relatively small but regular additional investment in roads could have a significant positive impact on both busi-

ness in the region, and on dri-

vers' pockets." According to the report, the Government spends £28,163 per km of road in the North-East, compared with £90,594 in London and £16,375 in the South-West.

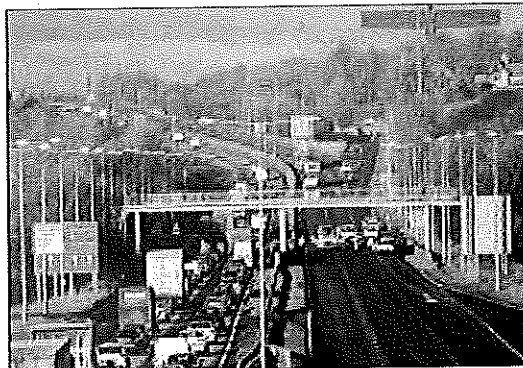
Mike Llywelyn-Jones, chairman of Ace's roads sector interest group, said the proposals in the report built upon current Government plans by examining ways of establish-

ing a stable source of funding for both Highways Agency and local authority roads to 2040.

In response to the report, the Department for Transport said the Government had recently invested £28bn to upgrade the nation's roads, with improvements being made to ease congestion in the North-East to the A1 Leeming to Barton and A1 Lobley Hill.

A spokesman added: "We have also committed to detailed studies of the challenges and improvements that can be made to the A1 north of Newcastle, the A1 Newcastle-Gateshead Western Bypass and Trans-Pennine routes.

"This long-term investment will bring an end to the short-term thinking that has blighted our roads and will give us a network fit for the 21st Century and beyond."



CONGESTION: The A1 near the Angel of the North

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