



Department
for Transport

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From the Secretary of State
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Thank you for your letter of 1 November 2017, about a statement I made in the House of Commons on 19th October 2017. As you set out, it is right that the debate is informed by a good understanding of the evidence.

The figures I referred to in the debate as being inaccurate are, as you say, those used by the IPPR North, which are based on the Infrastructure and Projects Authority's National Infrastructure and Construction Pipeline (NICP) 2016. However, my remarks were about how using them for this purpose presents a misleading picture.

The £500 billion NICP is a forward look for planned private and public infrastructure investment in the UK. Of this, around half of the pipeline to 2020/21 is made up of public funding. Of this, only around 40% of the value of projects in the pipeline to 2020/21 has been allocated to specific English regions. The remaining 60% cannot accurately be allocated to an individual region, as it relates to schemes that cover multiple regions or programmes that will be spread across the whole country (such as HS2 or the rollout of smart meters). Given this, it is difficult to use this data to provide a meaningful breakdown of regional spend per head.

In response to your questions, I would emphasise that it is not that the data in the NICP are inaccurate, but that they present a partial picture of future regional spend. This means that drawing firm conclusions from analysis of the data can be misleading.

While there are no equivalent data for future years, statistics on historic regional spending are published in Her Majesty's Treasury's Country and Regional Analysis Statistics. The latest release was published on 9th November 2017 and can be found here:

<https://www.gov.uk/government/statistics/country-and-regional-analysis-2017>

As I have said in previous debates, this data shows that per capita spend by my Department is not ten times higher in London than in the North.

In addition, I would add that my Department does not allocate funding to transport on a 'per head of population' basis. Our investment decisions are made based on a rigorous and fair appraisal process that ensures spending goes to the projects and programmes where it is most needed and delivers greatest value-for-money for both taxpayers and passengers.

The government is committed to using infrastructure to support regional growth. This is a key priority set out in our Transport Investment Strategy, and it is why we are increasing government infrastructure investment by 50% over the next four years. This will support growth and jobs right across the country.



Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT