



Department
for Transport

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Dear RIS3 Stakeholder,

Variation to the third Road Investment Strategy following the recently published Defence Investment Plan

On 30 June 2026, the Defence Investment Plan was published. This sets out how defence spending will increase to strengthen the UK's security, including increasing defence funding to almost £80 billion a year by 2029 and raising defence spending to 2.7% of GDP.

To fund this, departments have been asked to reduce some previously agreed spending plans. The Department for Transport (DfT) has therefore reviewed its funding for the third Road Investment Strategy (RIS3). We are now consulting on proposed changes to RIS3.

We want to understand what these changes would mean for you, your area and the communities and businesses you represent before final decisions are made.

Third Road Investment Strategy (RIS3)

RIS3 was published on 26 March 2026. It provides more than £27 billion to maintain, renew and enhance England's motorways and trunk A roads between 2026-2031. Over half of all RIS3 spending is on operations, maintenance and renewals to ensure a safe, reliable, and free-flowing network for generations to come. This includes a record £8.4 billion investment to maintain road surfaces and protect safety-critical

structures like bridges and tunnels to strengthen the performance and resilience of the network.

Proposed changes to RIS3

DfT is consulting on proposals to reduce RIS3 capital funding by £428 million over the first four years of the RIS3 period, from 2026-27 to 2030-31. This includes the possible cancellation of two enhancement schemes – the A46 Newark Bypass and A38 Derby Junctions – and an approximately 2 per cent reduction in other capital funding.

Proposed RIS3 funding reductions (£bn)	26/27	27/28	28/29	29/30	30/31	Total
Enhancements	0.027	0.038	0.067	0.183	0	0.315
Other Capital	0.014	0.027	0.034	0.038	0	0.113
Total Capital reductions proposed	0.041	0.065	0.101	0.221	0	0.428

RIS3 sets National Highways' capital delivery commitments, including major milestones such as the start of works on enhancement schemes. If the two enhancement schemes are cancelled, the related capital commitments would also need to change, reducing from five to three.

Reductions are not proposed to other elements of RIS3 funding, including other enhancement schemes, renewals, the ring-fenced Lower Thames Crossing and inward investment projects, National Highways' resource funding, or operational performance targets.

Why these changes are proposed

- **Proposed cancellation of two enhancement schemes**

We are proposing to cancel two schemes: A38 Derby Junctions and A46 Newark Bypass. Neither scheme is in contract. Main construction is not due to start until 2029 for A38 Derby Junctions and 2030 for A46 Newark Bypass. Proposals are subject to the ongoing review of scheme business case and value for money assessment. Before making a final decision, we will consider the evidence carefully against a range of factors, including value for money, cost, safety, effects on traffic and the

environment, housing and growth impacts and confidence in delivery. Annex A provides more information on these areas.

We are not proposing changes to the other committed enhancement schemes in RIS3. Two schemes are already open to traffic and ten are in construction, where stopping work would not be practical. The A66 Northern Trans-Pennine and M54 to M6 Link Road have not yet started construction, but both are already in contract and are due to start works within the next nine months. The A66 is expected to start construction by the end of 2026 and is a nationally important route linking the east of England with the North-West and Scotland. The M54 to M6 Link Road offers the strongest economic benefits for investment among the remaining schemes in development.

The proposal prioritises looking after the existing road network over starting new roadbuilding schemes. This reflects the approach taken in RIS3, which puts greater emphasis on maintenance and renewals so that motorways and major A roads remain safe, reliable and open for road users, businesses and local communities.

- **Small reductions to other capital funding**

We are also proposing to reduce other RIS3 capital funding by around 2 per cent. Other capital funding supports National Programmes, Designated Funds, development work for RIS4, strategic studies, National Highways' digital and corporate services, central risk reserve and related funding protocols.

National Highways will decide, taking into account the views expressed in this consultation, how best to manage this reduction across these areas. We expect National Highways to continue to deliver the RIS3 objectives, including supporting economic growth, improving safety, and protecting the environment.

Consultation questions

We would welcome your views on the proposed changes to RIS3 as outlined above. In particular:

- Do you support or oppose the changes to RIS3 outlined above, including the overall £428 million reduction proposed and the specific areas for savings proposed to achieve it? Please let us

know the reasons for your response and any other comments you have on the proposals or any alternatives.

- Do you agree or disagree with the prioritisation of capital funding for maintenance and renewals? Please let us know the reasons for your response.
- Do you have any views on how the RIS3 objectives may be prioritised in any capital funding reductions?
- Regarding the two enhancement schemes, is there any further information or evidence you can provide to supplement the assessment information provided in Annex A.

We would be grateful for your response to this consultation by **14 September 2026**. Your views, alongside any supporting evidence and National Highways' response to the proposals, will be carefully considered before a final decision is made regarding any variation to RIS3.

It would be helpful if you could complete your consultation response using SmartSurvey, which will assist us in collating information. Please click on the link below:

<https://www.smartsurvey.co.uk/t/K763KJ/>

DfT is carrying out this targeted consultation to gather evidence on the RIS3 variation proposals. This consultation and the processing of personal data that it entails is necessary for the exercise of our functions as a government department. If your answers contain any information that allows you to be identified, DfT will, under data protection law, be the Controller for this information.

If you have a specific accessibility requirement in order to respond to the consultation survey, please email the address below and we will consider your request.

DfT will also be hosting three stakeholder sessions to help participants understand more about the proposed changes, listen to any feedback, and answer questions you may have. To register your interest in attending one or more of these and submit any questions in advance,

please use the form link below to do this. You will then be sent a Microsoft Teams invitation for your chosen session(s).

<https://forms.gle/Sr4HocQPnryCNzWd9>

Following the final session, a consolidated Questions and Answers document will be shared with attendees across all sessions.

RIS3 Variation Consultation Online Stakeholder Sessions:

- Wednesday 29 July at 3pm
- Thursday 30 July at 11am
- Tuesday 4 August at 9.30am

If you have any queries about the consultation or stakeholder sessions, you can contact the Department at RIS3Variation@dft.gov.uk

Yours sincerely,

A handwritten signature in black ink, appearing to read 'H. Chughtai'.

HAROONA CHUGHTAI
Director, National Highways Sponsorship Directorate

Annex A – Assessment information

In assessing enhancement schemes, we consider a range of factors. The mixture of qualitative and quantitative assessments allows an understanding of the various benefits of the scheme. This includes consideration of the local and national significance of the routes and their contribution to government priorities, such as housing and growth. It also includes consideration of the impacts of the schemes in achieving RIS3 objectives, such as safety, environment, network performance, value for money, as well as the likelihood of successful delivery.

The six RIS3 strategic objectives are: grow the economy, improve safety for all, a level of network performance that meets customer needs, a technology enabled and enabling network, a resilient network that is planned and managed for the long-term and deliver improved environmental outcomes. Further details can be found in the RIS3 publication, Part 1 – Vision, from page 15: [Road Investment Strategy 3 \(RIS3\): 2026 to 2031](#) or <https://assets.publishing.service.gov.uk/media/69c4265e471d520038d0f64a/ris3.pdf>

The information provided below aligns to the existing assured data and represents a point in time, with Government Appraisal Guidance, as business and investment cases are subject to update and change as schemes develop.

Criteria	Sub-Criteria	A38 Derby Junctions
Case for Change	Overview	• The A38 is a strategic route carrying significant north-south long distance and business traffic from Birmingham, through Derby, to M1 junction 28. • Within Derby, long-distance traffic meets high volumes of local journeys at three existing ground-level roundabout junctions west and north of the city centre. This causes severe congestion and delays on A38 approaches, extending beyond peak hours into interpeak times and weekends.
	BCR	1.11 - 1.86 ¹
Improve Safety for All	Change in casualties	-684.5 over 60 years ²

¹ BCR Position: Ranges reflect existing assured BCR and include a higher BCR based upon updated methodology on Freight Value of Time (FVoT). Other analytical data provided aligns to the existing assured BCR and represents a point in time, in accordance with Government Appraisal Guidance, as business and investment cases are subject to update and change as schemes develop.

² The number of casualties (including fatal, serious and slight) reduced/saved over the 60-year appraisal period.

Network Performance	million Person hours saved	-71.401 million person hours saved over 60 years
Delivering Improved Environmental Outcomes	Change in carbon	-449,421 tonnes of carbon over 60 years
	Biodiversity	Slight adverse
	Water Quality	Neutral
Grow the Economy	Wider economic impact	142,758 over 60 years (£000s, 2023 Present Values)
	Business Users Impacts	393,868 over 60 years (£000s, 2023 Present Values)
	User Benefits	34,792,100 (£'s 2023 Present Value) to 40% most deprived areas over 60 years
	Jobs and Housing	The scheme has been identified in supporting 4,733 houses along the route of the road under development. The scheme will similarly aid Derby achieve the outcomes of its local plan, supporting the aim to deliver housing (15,400 homes) and employment developments (658,300 sqm of employment land by 2031).
Deliverability	Delivery confidence	High risk – with the need to procure a delivery partner for the main construction phase and a development consent order expiry in September 2028.

Criteria	Sub-Criteria	A46 Newark Bypass
Case for Change	Overview	• The A46 Newark Bypass scheme will dual the final remaining single-carriageway section of the A46 between Warwick and Lincoln. This section forms a key part of the Trans-Midland Trade Corridor, connecting the Midlands to the major international shipping ports of Grimsby and the Humber. The route carries a high proportion of HGV traffic (20%) on weekdays. • Journey times are inconsistent, and future growth is predicted to exceed the current road's capacity. • The upgrade will support key local industries that rely on roads for growth, including manufacturing, logistics and access to the Humber ports. This will boost exports and support their Freeport status, as well as the nearby East Midlands Airport.

		Strategically, the improvements will provide a more attractive and direct alternative to the M1 for travel towards the Northeast, while also improving resilience of the wider A46 corridor.
	BCR	1.33 - 1.61 ¹
Improve Safety for All	Change in casualties	-1,875 over 60 years. ²
Network Performance	million Person hours saved	-89.915 million person hours saved over 60 years
Delivering Improved Environmental Outcomes	Change in carbon	-481,012 tonnes of carbon over 60 years
	Biodiversity	Slight beneficial
	Water Quality	Neutral
Grow the Economy	Wider economic impact	25,249 over 60 years (£000s, 2023 Present Values)
	Business Users Impacts	25,249 over 60 years (£000s, 2023 Present Values)
	User Benefits	104,873,330 (£'s 2023 Present Value) to 40% most deprived areas over 60 years
	Jobs and Housing	The scheme has been identified in supporting 9,610 houses along the route of the road under development. The scheme will similarly aid local authorities achieve the outcomes of their local plans, supporting the aim to deliver housing (7,500) and an additional 650,000 sqm of employment land in the Newark area.
Deliverability	Delivery	Medium risk – with the need to procure a delivery partner for the main construction phase for a complex scheme with challenges around building in the floodplain, two crossings of the River Trent and three structures over railways.

Annex A – Assessment information (updated version 6 August 2026)

In assessing enhancement schemes, we consider a range of factors. The mixture of qualitative and quantitative assessments allows an understanding of the various benefits of the scheme. This includes consideration of the local and national significance of the routes and their contribution to government priorities, such as housing and growth. It also includes consideration of the impacts of the schemes in achieving RIS3 objectives, such as safety, environment, network performance, value for money, as well as the likelihood of successful delivery.

The six RIS3 strategic objectives are: grow the economy, improve safety for all, a level of network performance that meets customer needs, a technology enabled and enabling network, a resilient network that is planned and managed for the long-term and deliver improved environmental outcomes. Further details can be found in the RIS3 publication, Part 1 – Vision, from page 15: [Road Investment Strategy 3 \(RIS3\): 2026 to 2031](#) or <https://assets.publishing.service.gov.uk/media/69c4265e471d520038d0f64a/ris3.pdf>

The information provided below aligns to the existing assured data and represents a point in time, with Government Appraisal Guidance, as business and investment cases are subject to update and change as schemes develop.

These assessments reflect the anticipated impact if the schemes were to proceed. Updates are shown in **bold**.

Criteria	Sub-Criteria	A38 Derby Junctions
Case for Change	Overview	• The A38 is a strategic route carrying significant north-south long distance and business traffic from Birmingham, through Derby, to M1 junction 28. • Within Derby, long-distance traffic meets high volumes of local journeys at three existing ground-level roundabout junctions west and north of the city centre. This causes severe congestion and delays on A38 approaches, extending beyond peak hours into interpeak times and weekends.
	BCR	1.61¹ (1.11 with previous freight values of travel time)
Improve Safety for All	Change in casualties	A decrease of 1,875 over 60 years²
Network Performance	Person hours saved	89,915 thousand person hours saved over 60 years

¹ BCR Position: Numbers reflect existing assured BCR, based upon updated methodology on Freight Value of Time (FVoT). Other analytical data provided aligns to the existing assured BCR and represents a point in time, in accordance with Government Appraisal Guidance, as business and investment cases are subject to update and change as schemes develop.

² The number of casualties (including fatal, serious and slight) over the 60-year appraisal period.

Delivering Improved Environmental Outcomes	Change in carbon	An increase of 481,012 tonnes of carbon over 60 years
	Biodiversity	Slight beneficial
	Water Environment	Neutral
Grow the Economy	Wider economic impact	An increase of 25,249 over 60 years (£000s, 2023 Present Values)
	Business Users Impacts	An increase of 252,498 over 60 years (£000s, 2023 Present Values)
	User Benefits	An increase of 104,873,330 (£'s 2023 Present Value) to 40% most deprived areas over 60 years
	Jobs and Housing	The scheme has been identified in supporting 4,733 houses along the route of the road under development. The scheme will similarly aid Derby achieve the outcomes of its local plan, supporting the aim to deliver housing (15,400 homes) and employment developments (658,300 sqm of employment land by 2031).
Deliverability	Delivery confidence	High risk – with the need to procure a delivery partner for the main construction phase and a development consent order expiry in September 2028.

Criteria	Sub-Criteria	A46 Newark Bypass
Case for Change	Overview	• The A46 Newark Bypass scheme will dual the final remaining single-carriageway section of the A46 between Warwick and Lincoln. This section forms a key part of the Trans-Midland Trade Corridor, connecting the Midlands to the major international shipping ports of Grimsby and the Humber. The route carries a high proportion of HGV traffic (20%) on weekdays. • Journey times are inconsistent, and future growth is predicted to exceed the current road's capacity. • The upgrade will support key local industries that rely on roads for growth, including manufacturing, logistics and access to the Humber ports. This will boost exports and support their Freeport status, as well as the nearby East Midlands Airport. • Strategically, the improvements will provide a more attractive and direct

		alternative to the M1 for travel towards the Northeast, while also improving resilience of the wider A46 corridor.
	BCR	1.86¹ (1.33 with previous freight values of travel time)
Improve Safety for All	Change in casualties	A decrease of 684.5 over 60 years²
Network Performance	Person hours saved	71,401 thousand person hours saved over 60 years
Delivering Improved Environmental Outcomes	Change in carbon	An increase of 449,421 tonnes of carbon over 60 years
	Biodiversity	Slight adverse
	Water Environment	Neutral
Grow the Economy	Wider economic impact	An increase of 142,758 over 60 years (£000s, 2023 Present Values)
	Business Users Impacts	An increase of 393,868 over 60 years (£000s, 2023 Present Values)
	User Benefits	An increase of 34,792,100 (£'s 2023 Present Value) to 40% most deprived areas over 60 years
	Jobs and Housing	The scheme has been identified in supporting 9,610 houses along the route of the road under development. The scheme will similarly aid local authorities achieve the outcomes of their local plans, supporting the aim to deliver housing (7,500) and an additional 650,000 sqm of employment land in the Newark area.
Deliverability	Delivery	Medium risk – with the need to procure a delivery partner for the main construction phase for a complex scheme with challenges around building in the floodplain, two crossings of the River Trent and three structures over railways.