

## Keeping the roads budget running



Gordon Best.

Following the initial optimism after the Finance Minister's draft Budget announcement on 26 October, the reality in the finer detail is starting to become much clearer and raising a lot of concerns in the wider construction industry and business community.

Now that the detailed breakdown of each department's allocation is becoming known, an understandable feeling of doubt and, indeed, scepticism is starting to form. This is based on the fact that much of the proposed spend is based on efficiency savings that have yet to be accrued.

Although the Department for Regional Development (DRD) gained an above-average increase in their budget over the Comprehensive Spending Review period, it did not get the funding it wanted for capital works or revenue investment. The £200 million figure set out in the budget for roads maintenance over the next three years is totally inadequate, adding £125 million to the already colossal shortfall in roads maintenance spend of some £450 million.

The spending objectives set out in the budget are totally dependent on a number of yet undecided factors:

1. Roads drainage: if the financing of this responsibility is to come out of the DRD budget rather than a central fund, it will impact on structural maintenance and possibly capital projects;
2. Affordability payments: if the

Investment in and maintenance of our roads network is crucial for a modern, efficient economy, but questions have appeared over whether it will be properly funded in future. Regional Director of the Quarry Products Association Northern Ireland (QPANI), Gordon Best, explains why he thinks the draft Budget will give drivers a rough ride.

payment of rebates for water charges comes out of the DRD budget, it will again impact on the delivery of adequate structural maintenance and capital projects;

3. Dividend payments to Northern Ireland Water;
4. Achieving efficiency targets.

The fact that the DRD only received £572 million in the draft Budget and ISNI 2 gross allocations, rather than the £1 billion that it sought, has meant that a number of strategic capital projects will be deferred.

The need for significant investment in our infrastructure has never been greater, and we need look no further than to our friends in the Republic of Ireland to see clear evidence of how a clearly thought-out National Development Plan, together with an effective planning system, can deliver a revitalised and growing economy.

The recently published *InterTradeIreland* survey highlighted the importance of investment in our road infrastructure. Just under half of respondents (49 per cent) in Northern Ireland stated that the lack of transport infrastructure had an adverse impact on their business.

The Quarry Products Association, together with our other key stakeholders, believes that not only investment in new infrastructure is vital but we also need to set aside adequate funding for the maintenance of our existing transport

network. We are not alone in advocating this; just look at two recent statements from Geoff Allister, Roads Service Acting Chief Executive, contained in the 2006-2007 Roads Service Annual Report.

"An area of risk about which I am concerned is that I believe the level of funding made available to Roads Service for structural maintenance is insufficient to maintain the road network in a satisfactory condition on an ongoing basis... On the non-trunk road network we continue to 'paper over the cracks' on too many occasions."

"The relatively low level of funding means that the good practice resurfacing frequency of once in 25 or 30 years is not achieved. Indeed, resurfacing frequencies are often well in excess of once every 68 years."

A Northern Ireland Audit Office Report in 2001 stated that "continuing with responsive maintenance... which currently accounts for over 40 per cent of the total maintenance budget, will result in almost twice the total outlay over a 25-year period than if the road was strengthened and resurfaced."

QPANI are now meeting other business organisations to brief them on our view on the need for significant infrastructure investment and for all of us to send the same message to the Executive that we are ready, as a private sector, to assist in achieving the targets set out in the Programme for Government and the draft Budget.