



Llywodraeth Cymru
Welsh Government

£500m kickstarts new investment programme

Two new innovative finance schemes that will result in half a billion pounds of additional infrastructure investment were announced by Welsh Government Finance Minister Jane Hutt today.

Tuesday 04 December 2012

Jane Hutt said:

"The initiatives I have announced today show that despite the cuts being imposed on us by the UK Government we remain determined to invest in infrastructure across Wales.

"Adding the initiatives I have announced today to the £220m of additional capital investment set out in the Final Budget means we are committing almost three quarters of a billion pounds to the Welsh economy and public services.

"These two initiatives will be at the forefront of a larger non-dividend investment programme in support of the Wales Infrastructure Investment Plan that we are developing.

"Not only will this infrastructure investment allow us to continue to provide the best schools, hospitals and roads but it will also support the construction industry and provide much needed jobs. We are a Government that will continue to deliver at the toughest of times."

During a Plenary debate on the Final Budget for 2013-14 Jane Hutt announced that she would be using a non-dividend investment mechanism to invest around £300m in sections 5 and 6 of the A465.

The Minister also announced she would be extending the Local Government Borrowing Initiative, in partnership with local authorities, to the 21st Century Schools Programme which would accelerate around £200m of investment.

Speaking about the two new innovative finance schemes the Minister added:

"We will inject around £200m of investment into the 21st Century Schools Programme between 2014-15 and 2016-17 by extending the Local Government Borrowing Initiative. This means we will deliver the Programme in full by 2018-19, two years ahead of schedule.

"At the same time we will use a non-dividend investment mechanism to invest around £300m in sections 5 and 6 of the A465, which will see us deliver a full dual carriageway before 2020. By using a non-dividend investment programme we will ensure that the investment attracts competitive, private sector funding and expertise, while transferring risk."

£11.5m CRC funding announced in January by the Finance Minister has been used on various schemes:

- £1m for improvements to the Abercynon Roundabout on the A470 to ease congestion at peak hours
- £3.5m for improvements on the Maes yr Helmau to Cross Foxes section of the A470
- £1.5m for work on the Gelligemlyn section of the A470
- £2.5m for resurfacing work from the Puffin Roundabout to Pemaenbach section of the A55
- A number of smaller allocations making up the balance of £3m for a range of other road and rail improvement schemes.