



Mersey Gateway bosses have today (Monday 3 October 2011) said they are 'delighted' that Rt Hon Philip Hammond MP has confirmed that a detailed funding agreement for the project has been signed off by Government.

The Secretary of State for Transport confirmed the agreement in a news release issued today by the Department for Transport, saying: "The Mersey Gateway Bridge is an important transport project which will improve journeys and boost economic growth. It will not only provide much needed traffic relief for the existing Silver Jubilee Bridge, but also help to regenerate the Borough of Halton, the Liverpool city region and the wider north west by improving transport links, maximising local development and regional economic growth opportunities.

He added: "In response to the Government's request to reduce costs, Halton Borough Council have achieved savings of around £30m on the original proposed cost - meaning the scheme will offer better value to the taxpayer, whilst bringing vital improvements to the region. Further cost savings are expected through a competitive procurement process."

Cllr Rob Polhill, Leader of Halton Borough Council, said: "This is great news and clears the way for us to launch our competition for the delivery of the new crossing. I'd like to thank everybody from across the region who has worked tirelessly to support the Mersey Gateway Project over recent years as it is only with their support that we have been able to secure this deal which will be transformational for the regional economy in years to come."

He added: "It is worth remembering that detailed research has shown that Mersey Gateway can be the catalyst that creates over 4,000 jobs, improves journey times and reliability for millions of people in the region and brings massive inward investment and regeneration potential in to the area.

David Parr, Chief Executive of Halton Borough Council, said: "Today's announcement means that we can now begin the procurement phase, which is all about selecting the best possible private sector partner to work with the council to design, build, finance and operate the scheme. We will also be consulting very soon on some of the details of the changes that will save around £30 million on the cost of the project."

Steve Nicholson, Mersey Gateway Project Director, said: "We have been working very closely with Government over recent months to finalise the details of this agreement and I am delighted with the results. This agreement represents the best possible deal for the public purse and means that we can focus on delivering a project that will bring benefits to local people, commuters and businesses from across the region."

Today's announcement means the Department for Transport has agreed to contribute up to £470 million to the project over its lifetime. This is made up of £86m in direct capital grant and up to £14.55m per year in long term revenue support for 26 ½ years after opening.

The project was given initial funding approval by Chancellor George Osborne as part of the 2010 Comprehensive Spending Review, and then received planning approval in December 2010.

The procurement process is now planned to commence later in October leading to construction work starting within two years. The new bridge is expected to take around three years to complete. The construction cost, including land purchase and remediation, is expected to be £589 million.