

NEWS RELEASE

DATE: July 3, 2026

East Midlands stuck in the slow lane: Government cancels major transport investment...again!

Following last year's cancellation of the Midland Main Line Electrification the Government is now planning to cancel two major road schemes in the East Midlands: the A38 Derby Junctions and A46 Newark Bypass.

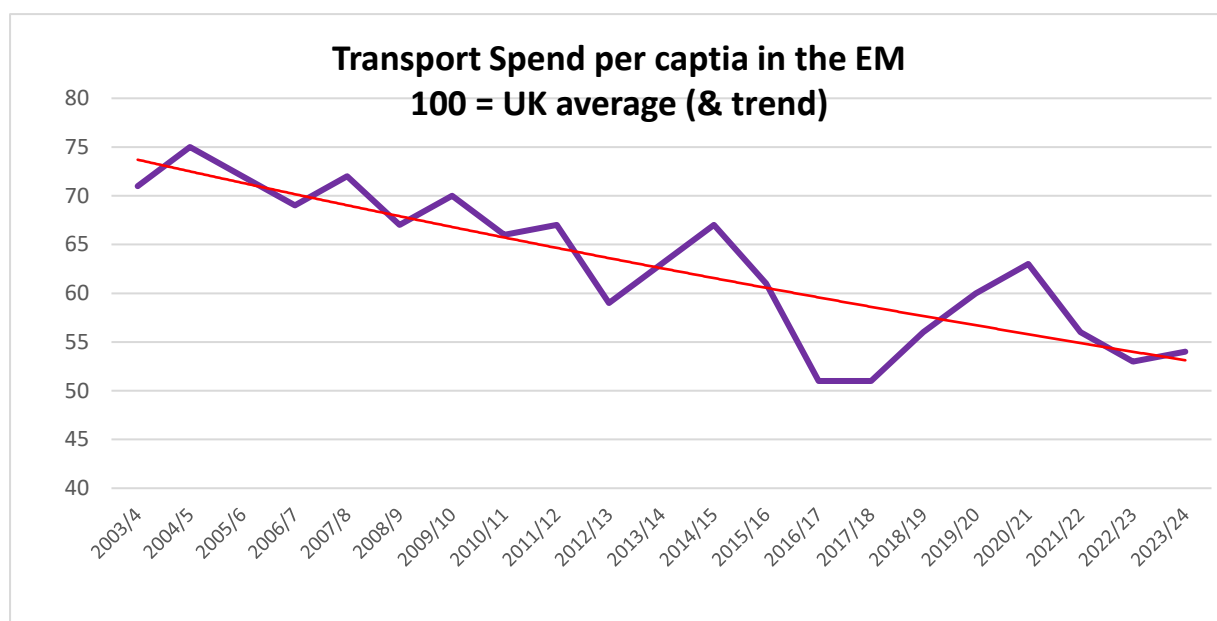
These latest cancellations have been made to fund the Government's Defence Investment Plan. Only two road schemes will be cancelled across the country – both in the East Midlands.

Cancelling the A38 and A46 schemes along with Midland Main Line electrification means the East Midlands will have lost well over £2billion of committed transport investment in the 12 months since the Spending Review.

The East Midlands continues to receive the lowest levels of public investment in the UK, according to [analysis of government data published last year by East Midlands Councils](#).

Despite a growing population and a strong track record on economic growth, the region lags significantly behind on spending in key areas such as transport, infrastructure, and economic development.

Transport funding in the region is particularly low. In 2023–24, transport spending in the East Midlands was just 54% of the UK average, the lowest level of any UK region or nation. These latest cancellations reinforce a pattern of long-term pattern of declining transport investment under Governments of all parties.



Source: [CP 1363 – Public Expenditure Statistical Analyses 2025](#) & previous releases

In September 2025 East Midlands MPs led by Catherine Atkinson MP (Derby North) led a debate in the Housing Commons on regional transport inequality. Replying for the Government, the DfT Minister Simon Lightwood MP promised to turn the situation around, citing investment in both the A46 Newark Bypass and A38 Derby Junctions as proof of the Government’s commitment¹

Cllr Sean Matthews, Chair of East Midlands Councils said:

“This decision to cancel these schemes is truly shocking and will damage economic confidence in the East Midlands and well as causing misery to motorists. The East Midlands continues to be treated as ‘soft touch’ when Ministers need cash. This must end.”

Sir Peter Soulsby, Chair of Transport for the East Midlands said:

“The A46 and A38 are both critical routes for investment and growth, not just for the East Midlands but the country as a whole. Both these schemes have taken years to develop and progress through the planning process. To cancel them now as they are about to be deliver is foolish and yet again ignores the needs of the East Midlands’

ENDS

Contact: For further information please contact Andrew Pritchard, Director of Policy & Infrastructure on 01664 502641 or andrew.pritchard@emcouncils.gov.uk

¹ [Regional Transport Inequality - Hansard - UK Parliament](#)



The road schemes to be cancelled

A38 Derby Junctions: This scheme has been subject to several legal challenges going back many years, but the Development Consent Order (DCO) was finally confirmed in March 2025. The scheme is designed to relieve congestion at three key junctions to the west and north of the city centre, but also to enable major planned housing growth across the Derby Housing Market Area - which would have contributed to the Government's target of building 1.5 million homes during this Parliament.

A46 Newark Bypass: The scheme would have removed a long-standing bottleneck on the A46 between the East Midlands and the Humber Ports by widening 6.5km of the existing single carriageway to a dual carriageway, providing two lanes in each direction between Farndon and Winthorpe roundabouts and improving the junction with the A1. It would also support major housing and employment growth across Nottinghamshire and Lincolnshire. The scheme had previously been planned for delivery in the early 2020s but was delayed by Government.