

Monitoring Highways England's Network Investment Consultation – List of Respondents

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20 Department for Transport

David Linnell

Hi

I have been looking at your consultation document.

One aspect not covered at all is Highways England's responsibility for monitoring and removing advertisement alongside motorways.

Recent motorway journeys suggest to me that this problem is getting worse, and that particular adverts are staying in position for long periods.

Assuming I'm right in about this being a Highways England responsibility, what statistics do they produce on the subject, and who holds them to account for their performance, please?

David Linnell

Campaign for National Parks

Dear Sara

The Campaign for National Parks is the independent national voice for the 13 National Parks in England and Wales. Our mission is to inspire everyone to enjoy and look after National Parks – the nation’s green treasures. For 80 years we have been campaigning to ensure that our National Parks are beautiful, inspirational places that are relevant, valued and protected for all. We welcome the opportunity to comment on how ORR proposes to monitor Highways England’s network investment plans and the delivery of those plans.

We recognise that the ORR’s priority is on getting value-for-money for the taxpayer by ensuring that HE is delivering its plans on time and to budget and making good progress in delivering its performance metrics. While some of these metrics address environmental issues, we are concerned that there is a gap when it comes to measuring HE’s performance on aspects that are not included in the metrics but which are very important for National Parks, such as landscape enhancement.

All public bodies have a duty to take account of the potential effect of their decisions and activities on National Parks, including activities undertaken outside National Park boundaries which may affect land within them. This requirement is in Section 11A(2) of the National Parks and Access to the Countryside Act 1949 as amended by Section 62(2) of the Environment Act 1995 and is often referred to as ‘the S62 duty’. When the Infrastructure Act which established HE was going through Parliament we secured an assurance from the Government that the S62 duty would apply to HE but we are concerned that there may be a low level of awareness of the duty in the organisation. To address this and the gap in the metrics referred to above, we believe that the ORR’s role in monitoring HE’s performance should be extended to include an assessment of how well HE is complying with the S62 duty. I would be happy to provide further information about National Parks or the S62 duty if that would be helpful. Yours sincerely Ruth Bradshaw

Transport Focus Group Chairman : Dorset CPRE - Campaign for the Protection of Rural England

Thank you for the information you have released as part of the above consultation.

It is good to know that relevant reports will be issued regularly and we trust that they will be helpful. No doubt you will ensure that their existence will be adequately publicised and that they will encourage 'feedback'.

Our primary concern is the use of the term "investment". It is considered that sound 'investments' should not be appraised (by responsible decision-makers) solely in terms of 'money'. Other criteria are valuable for any realistic appraisals likely to produce decisions that will be truly sustainable : a monetary criterion alone tending towards short-termism and environmental damage. In this connection, it is hoped that protection of natural assets and established communities will figure in an effort to enhance air quality, limit noise generation, avoid endangering life (civilised or wild) and prevent any damage to protected areas (and their settings) that inherently set the value of localities and facilitate required farming.

Please do not hesitate to let me know if the above comment needs any amplification.

Regards : Gerald Rigler
(Transport Focus Group Chairman : Dorset CPRE - Campaign for the Protection of Rural England)

RAC Response to the ORR consultation on Monitoring Highways England investment

About the RAC

With more than eight million members, the RAC is the oldest and one of the UK's most progressive motoring organisations, providing services for both private and business motorists. As such, it is committed to making driving easier, safer, more affordable and more enjoyable for all road users.

The RAC, which employs more than 1,500 patrols, provides roadside assistance across the entire UK road network and as a result has significant insight into how the country's road networks are managed and maintained.

The RAC is separate from the RAC Foundation which is a transport policy and research organisation which explores the economic, mobility, safety and environmental issues relating to roads and their users.

The RAC website can be found at www.rac.co.uk.

In September 2016, the RAC published its latest [Report on Motoring](#).

RAC Response

Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this consultation?

Yes. We believe that the current framework in which the ORR operates with responsibility for monitoring Highways England, whilst still relatively new, is working well and is starting to deliver benefits for motorists. The 2016 RAC Report on Monitoring found that whilst there was a great deal of concern about the condition of local roads (38% listed it as one of their top four concerns), roads managed by Highways England fared better, with only 12% listing the condition as a top four concern, a 1% drop on 2015. Of more concern, will be rising concerns about congestion and slower journey times: 27% now list this as a top four concern, compared to 18% in 2015. It is therefore important that the three key areas identified to be monitored - portfolios, programmes and projects – include assessments of the impact on congestion both during construction and after completion and takes steps to minimise this.

Overall, the RAC supports the monitoring proposals set down in the Consultation document. We have further suggestions in our response to question three.

Does our proposed approach for monitoring Highways England's network investment fulfil our role in a way which meets your requirements as a stakeholder?

The RAC has further comments below.

Are there aspects of our monitoring of Highways England's network investment that you think require more or less emphasis?

Overall, the RAC supports the monitoring proposals set down in the Consultation document. However we have several specific points that we should like to raise:

- The ORR places much emphasis on monitoring performance “in the round”. Essentially what this infers is that there will be overspends and underspends and some projects will complete early whilst others complete late. Given the resource available, ORR have few alternatives to such an approach. The RAC therefore supports this provided the “standard deviation” (i.e. the average variance to plan) is small. However, large variations for a high proportion of projects would signify a lack of control and poor risk management, ORR should therefore express a view as to what level of variation is acceptable and at what point HE’s controls and ability to manage risk are brought into question.
- According to these proposals, the performance measures for major schemes are primarily associated with the scheme deliverables (adherence to milestones, expenditure against plan, efficiencies and value for money). However, where schemes involve upgrading or modifying existing roads, the way in which such schemes are implemented will in many instances have an impact on the extent to which road users are inconvenienced. For example, it may be possible to save cost or time at the expense of excessive and unreasonable delays or inconvenience to road users. The RAC is unclear how ORR will satisfy themselves that Highways England are not off-setting project delays or overspends by cost or time saving measures that unreasonably increase the delays or inconvenience to road users.
- In the case of ring-fenced funds and particularly strategic studies, the output will be less tangible than in major projects. Where the deliverable is a report or proposal, the RAC is unclear how ORR will assess the quality of the output. We can envisage situations in which the objectives of a study may appear to have been met but the study may be superficial and of poor quality and conceivably lacking impartiality. In such situations, value for money for the taxpayer would be poor. We would therefore like to understand how ORR will satisfy themselves on the adequacy of the quality of deliverables of this type?



Submission by the Chartered Institute of Logistics and Transport

to the ORR consultation:

Monitoring Highways England's network investment

1. The Chartered Institute of Logistics and Transport is a professional institution embracing all transport modes whose members are engaged in the provision of transport services for both passengers and freight, the management of logistics and the supply chain, transport planning, government and administration. Our principal concern is that transport policies and procedures should be effective and efficient, based on objective analysis of the issues and practical experience, and that good practice should be widely disseminated and adopted. The Institute has a number of specialist forums, a nationwide structure of locally based groups and a Public Policies Committee which considers the broad canvass of transport policy. This submission has been prepared by the Roads and Traffic Policy Group.
2. In the following comments, although we recognise the importance of the safety and environmental roles of Highways England, we have focussed mainly on their duties to encourage economic growth, improve user satisfaction and support the smooth flow of traffic. We have taken into account ORR's first annual report on HE's performance.

Scope of ORR's Role

3. We understand ORR's role as set out in the consultation document and in particular the division of responsibility between ORR and DfT itself. We understand in particular that ORR does not set or agree the 5-year Road Investment Strategy or the level of funds available. We accept this but think it is important for stakeholders that ORR should:
 - a. monitor and report on the economic performance of HE's network and the effect of the construction and maintenance programmes on this;
 - b. give advice to DfT on the scope and content of future Road Investment Strategy periods in the light of current performance and of the conclusions emerging from the monitoring of Strategic Studies.

Monitoring the Network Investment Portfolio (section 4)

4. We agree with the proposed methods of monitoring the efficiency with which HE carries out its task (eg: the planning and delivery of the programme of major

improvements). We think that more attention probably needs to be paid to skill shortages in the supply chain and how to tackle them.

5. We agree that HE need to prioritise interventions and that HE (and ORR) need to understand how the portfolio of capital works is contributing to the delivery of performance outcomes and outputs.
6. The examples given in para 4.3 do not include average delays, average speeds or user satisfaction. We think they should. In its report on HE's first year ORR listed in Annex A the following performance indicators relevant to economic performance:
 - a. Improving user satisfaction
 - b. Additional time users need to allow to ensure they arrive on time
 - c. The proportion of journeys faster than 4/3 of the free flow journey time
 - d. Average speed of car journeys on the network
 - e. Average delay (time lost per vehicle mile) on gateway routes
7. ORR reported on all of these in paras 2.16-2.43 of its first year report (particularly in tables 2.4 and 2.7).
8. We think that these performance measures are of the highest importance in showing how well HE are doing within the resources the Government makes available and as an indicator of how much more needs to be done in future RIS periods. We have the following detailed observations:
 - a. Improving user satisfaction is important and the revised statistical survey being prepared by Transport Focus needs to cover all groups of road user including coach and lorry operating companies (not just their drivers)
 - b. We note that ORR are discussing the causes of recent delay performance with HE and we look forward to seeing the report of the detailed study of average delay this Summer. But the average figures listed at (b) to (e) above need to be broken down – at least for management purposes, to show when and where sub-optimal performance is occurring and where improvements are required.
 - c. In the light of experience with RIS 1, targets should in due course be set for measures (c) to (e).
 - d. It is not clear how measure (b) treats the section of an end-to-end journey not on HE's road network. It is important that HE do not focus solely on their own roads but also consider the impacts for local authorities and what jointly agreed strategies may be needed to deal with any problem
 - e. In its report on the first year of HE's performance ORR quote the following results
 - i. The additional time (in seconds per mile) that users need to allow to ensure they arrive on time. The figure for 2015/16 was 1.66 - up on 1.54 in 2012/13. So for a 60 mile journey the extra allowance would be 1.66 minutes which is not much over one year but aggregated over a number of years would become considerable. The figure seems inconsistent with that reported at (iii) below.

- ii. The proportion of journeys that are faster than 4/3 of free-flow journey time (calculated as a percentage). We assume that this means faster than 33% above free flow time – which is not a very exacting standard. The figure for 2015/16 was 83.6. So some 16% of journeys take 33% longer or more.
 - iii. Average delay (time lost per vehicle mile). The figure for 2015 was 8.9 seconds (or nearly 9 minutes for a 60 mile journey). This was a deterioration. The figure for gateway routes was only slightly better (8.7 seconds per vehicle mile)
 - iv. Network availability (i.e: not disrupted by planned works). The target is at least 97% in a rolling year. HE did slightly better than this.
9. We need to understand these figures better, for instance the apparent inconsistency between (i) and (iii). Some of them are averages. So delays could be negligible over a high proportion of journeys but much worse at peak times. Presumably (ii) is an indication of this.

Monitoring the Delivery of Major Schemes (section 5)

10. We agree with ORR's proposals, especially paras 5.9, 5.10 and 5.14

Monitoring Maintenance and Renewal (section 6)

11. We agree with ORR's proposals especially paras 6.9 and 6.1

Monitoring ring-fenced Investment Funds (section 7)

12. We agree with the proposals, especially para 7.5

Monitoring Strategic Studies (Section 8)

13. We agree that, in view of DfT's direct involvement, ORR's role should focus on high level monitoring (para 8.5). But this should cover the issues in para 8.3 including the relationship with the development of the second RIS; and ORR should assess whether they adequately cover the issues we list in para 8b and c above.
14. In addition to the issues listed in para 8.6 we would like to see monitoring and discussion of
- a. the techniques used in the studies (including cost-benefit and value for money tests)
 - b. the range of options considered (eg: on line improvement, new alignments, junction improvement, alternative modes (including the use of demand management methods) and the interaction with local authority roads
 - c. the assumptions made (eg: traffic growth in the corridor)

Monitoring Highways England's network investment: response to ORR consultation

Submission from Dr David Metz, honorary professor, Centre for Transport Studies, University College London

The economic rationale for investment in the road network is to generate benefits for users, including in particular the saving of travel time. It would therefore be appropriate for the benefits to users of Highways England's investment programme to be evaluated as part of ORR's monitoring process.

In general, traffic congestion on the Strategic Road Network arises in or near populated areas, where local traffic adds to long distance traffic; remote from such areas, the traffic generally flows freely. From the perspective of orthodox transport economics, a congested road is an opportunity to invest by adding capacity. But how do road users experience the benefit?

Highways England has evaluated the outcome of 'major schemes' five years after opening. It finds that average time savings are small, 3 minutes at peak periods.¹ The economic case for investment depends on multiplying such small time savings by a large number of vehicles (and by monetary values of time saved). Nevertheless, it is relevant to ask how road users experience such small time savings.

While a few minutes time saving would not be material for long distance users, it could be significant to local users on short trips, in particular by allowing more opportunities and choices when changing job or moving house. Indeed, it seems likely that the main benefit of investment in additional capacity on the SRN would accrue to car commuters.²

It would therefore be important to understand the nature and distribution of the benefits of the investment schemes of Highways England, as experienced by different classes and locations of road users.

Transport Focus commissioned an Independent Analytical Review for a Road User Satisfaction Survey in 2015. This recommended the development of a continuous online survey of satisfaction using a representative panel of road

¹ http://assets.highways.gov.uk/our-road-network/pope/major-schemes/POPE_meta_2011_main_report_final.pdf

² <http://peakcar.org/valuing-travel-time-savings-problems-with-the-paradigm/>

users. Repeated surveys of a panel would allow trends in satisfaction to be monitored over time. Transport Focus is currently piloting this approach.³

Such a survey technique could in principle be used to track the subjective user experience of improvements to the network as a whole. Moreover, relating user experience to specific investments would allow the benefits of these to be understood, as experienced by different classes of road user.

Another approach, also using a volunteer representative panel, would involve monitoring individual travel patterns, based on mobile phone GPS location. This would provide an objective measure of changed travel patterns as the result of investment, and would allow identification of which users benefit, both as regards location, journey purpose and socio-economic characteristics.

Average travel time has been measured for the past 40 years by means of the National Travel Survey. It is noteworthy that average travel time has remained unchanged at about an hour a day, despite many £billions of investment in the road network. This indicates that there are no time savings to users in the long run. There is therefore a question about the nature of long run benefits, which are mainly to be seen as changes in land use and land value, as land is made more accessible for development that can contribute to economic growth. Travel time savings are therefore short run and their duration needs to be monitored.

Summary

Given the very large expenditures planned for the SRN, it is important to understand the nature and distribution of the benefits of investment. There is an opportunity for the ORR to improve value for money by taking an analytical approach - tracking the experience of road users as this is improved by investment in the road network. Both subjective and objective change should be monitored, to understand the nature and distribution of the benefits of investment.

26 September 2016

³http://www.transportfocus.org.uk/research-publications/research/strategic-roads-user-survey/#_ftn1



Historic England

Historic England Response to the ORR Consultation on Monitoring Highways England's Network Investment (July 2016)

Historic England is the Government's statutory adviser on all matters relating to the historic environment in England. We are a non-departmental public body established under the National Heritage Act 1983 and sponsored by the Department for Culture, Media and Sport (DCMS). We champion and protect England's historic places, providing expert advice to local planning authorities, developers, owners and communities, to help ensure our historic environment is properly understood, enjoyed and cared for.

We are already engaging with Highways England at a number of levels as part of the delivery of the current Roads Investment Strategy. This includes commenting on proposals for road schemes, especially those being delivered through the Nationally Significant Infrastructure Planning process, where we are a statutory consultee. Historic England is also a member of the Environmental Designated Funds Advisory Group, we sit on the Design Panel and are involved in the six strategic studies.

Having reviewed the consultation document, we offer the following comments to the Office of Rail and Road to help in monitoring Highway's England's network investment. The information Highways England holds on the heritage assets in its ownership or in close proximity to the network is incomplete, which could create potential difficulties when developing and implementing future plans, programmes and projects, due to the lack of a robust and comprehensive evidence base. Such information is vitally important, especially at the initial project planning stages of road schemes, to consider options for avoiding potentially damaging impacts, whilst also highlighting enhancement opportunities.

As a result of this, we believe that Highways England is not able to meet the requirements set out in the *Protocol for the Care of the Government Historic Estate* which has been developed by Historic England and government (<https://historicengland.org.uk/images-books/publications/protocol-for-the-care-of-the-government-historic-estate/>).

The Protocol sets out good practice for the management of heritage assets in public ownership and includes, amongst other things, nomination of a heritage officer, to ensure the significance of any heritage asset is taken into account when planning change; commissioning of regular condition surveys; implementation of a planned programme of repairs and maintenance; ensuring that the design quality of any new work enhances the historic environment; and the preparation of biennial conservation reports.

In its *Delivery Plan 2015 – 2020* (2015), Highways England recognised the need to address this issue and Paragraph 6.1.7 contains the following statement:

'Highways England will be utilising the Environment Fund to enhance the condition of cultural heritage sites and historic features either in our ownership or in proximity to the network. Key areas of focus will be:

- Reviewing and confirming the 'at risk' and 'unvalidated' condition status for assets identified in the Department for Transport's Historic Buildings Annual Report, and identifying a future programme of interventions along with associated costs by March 2016.
- Enacting conservation measures at those identified heritage assets most at risk by end of this Road Period.
- Reviewing the influence of the network on the setting and condition of the historic environment close to the network, identifying and delivering enhancement opportunities.

By delivering on these commitments we will also meet and comply with the requirements of the '*Protocol for the Care of the Government Historic Estate*'.

However, Historic England is concerned over the lack of progress on this. A future programme of interventions along with associated costs does not appear to have been produced.

The need for Highways England to improve transparency about its plans and performance, including the transparency of its plans and strategies in the areas of safety and the environment has been recognised by the Office of Rail and Road in its *Annual Assessment of Highways England's Performance April 2015 – March 2016*. It is also understood an updated version of Highways England's Environment Strategy is being prepared, together with action plans for specific areas and new performance indicators.

At present, the only key performance indicators (KPIs) for the environment relate to noise and biodiversity, and we very much hope the KPIs can be developed further to consider other areas such as the historic environment. We encourage Highways England to look at measures of improving stakeholder engagement for its programmes, plans and projects, which can sometimes appear very late in the day with limited follow-on communication or action.

We also believe that Highways England would benefit from having its own in-house expertise and Historic England is able to provide a range of paid services that could help address some of these concerns. Some bodies, such as the Ministry of Defence, are further ahead in managing their heritage assets and we would be happy to support Highways England in developing its approach. This would also have the potential to reduce costs and possible delays in delivering the Roads Investment Strategy where future decisions may affect the historic environment.

Historic England would, of course, be willing to discuss this response in more detail with the Office of Rail and Road.

Shane Gould, Government Advice Team, Historic England
26 September 2016

CECA Consultation Response

Civil Engineering Contractors Association
1 Birdcage Walk
London
SW1H 9JJ

29 September 2016

Dear Ms Subtil

Monitoring Highways England's network investment

The Civil Engineering Contractors Association (CECA) welcomes the opportunity to respond to the above named consultation.

CECA is the representative body for companies who work day-to-day to deliver, upgrade, and maintain the UK's transport and utility networks. With more than 300 members throughout England, Scotland and Wales, we represent firms who together carry out up to 80 per cent of all civil engineering activity in the UK, in the key sectors of transport, energy, communications, waste and utilities including electricity and water.

Our members include some of the largest construction firms as well as a range of small specialist and regional contractors. Our industry supports the employment of over 200,000 people in the UK with annual activity worth £25 billion.

Yours faithfully,

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Marie-Claude Hemming
Head of External Affairs
Civil Engineering Contractors Association

Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this consultation?

CECA believes that there are four key questions which need to be posed and full answered in order to ascertain the effectiveness of the system implemented to monitor Highways England's network investment.

In our view these are:

- Is Highways England spending its allocated budget?
- Is the spend profile evenly distributed?
- Are the resources allocated to achieve maximum output?
- Is Highways England achieving value for money?

Does our proposed approach for monitoring Highways England's network investment fulfil our role in a way which meets your requirements as a stakeholder?

CECA members require complete visibility of the forward pipeline of work on the strategic road network. This long term visibility is vital for our members in order to enable them to invest in innovation and skills with their businesses, which in turn contributes to UK economic growth.

In order to maximise business confidence it is imperative that all planned projects are developed within stated timescales, and are planned in a consistent and regular manner to avoid a cycle of workload boom and bust.

Finally, CECA urges simplicity in any new monitoring system implemented by the ORR to essentially focus on scrutinising compliance with the four questions outlined above. In order to secure long term economic growth from investment within the strategic road network, the ORR's priority must be to ensure that Highways England projects are effectively and efficiently prepared and delivered.

Are there aspects of our monitoring of Highways England's network investment that you think require more or less emphasis?

CECA members believe that there are a number of key challenges facing Highways England which may impact the efficient delivery of investment in the strategic road network. As such we feel it will be useful for the ORR to monitor the following criteria:

- Impact of statutory processes, such as procurement and environmental regulations on the efficient delivery of new projects.
- Identifying knowledge gaps within the Highways England team (such as land acquisition) to avoid potential stumbling blocks.
- Monitoring the distribution of funds within the envelope to ensure efficient delivery.

- Developing an expertise in asset knowledge to ensure more planned repairs within the normal maintenance programme.
- Ensure that schemes are fully prepared, processed and planned before commencing work on the ground, to avoid wastage of resources.

Transport Focus,

28 September 2016

Dear Simon

Monitoring Highways England's Network Investment

Transport Focus, as the independent consumer watchdog for users of the Strategic Road Network in England, is pleased to respond to your consultation document published on 21 July 2016. The document sets out a clear strategy for developing your monitoring of Highways England's investment. However, we feel there needs to be more explicit recognition of the interests of users of the network, to better meet your objectives.

I will structure my comments on the document using the three questions you have posed:

(1) Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this consultation?

It appears that minor improvement schemes (those falling below the £10m threshold for Major Projects schemes) are being overlooked through the focus on the four components of: major schemes, maintenance/renewals, ring-fenced funds and strategic studies. The scope of 'major schemes' should be extended to include these works when undertaken by the Operations Directorate.

(2) Does our proposed approach for monitoring HE's network investment fulfil our role in a way which meets your requirements as a stakeholder?

We draw your attention to four aspects of the proposals where the user interest should be more prominent:

- para 5.3: in considering the different forms a major scheme solution can take, users' views on which they prefer should be taken into account.
- para 5.18 refers to scheme BCRs; the subset of benefits which accrue to users is sufficiently important to be monitored in its own right.
- para 6.4: monitoring of maintenance activity should include assessment of how roadworks impact on users
- para 7.5: refers to stakeholder priorities for the ring-fenced funds. Transport Focus can help ORR, and DfT, increase the understanding of what users want to see from the designated funds. At present, there are some contradictory messages, for example around the expectations of cyclists from the Cycling, Safety and Integration Fund.

In respect of the ring-fenced funds, we welcome the monitoring plans set out in Section 7; it is good to see this getting its own focus, to ensure they are cost-effective.

Para 4.3 rightly homes in on the importance of interactions between the individual programmes, including how far Highways England seizes opportunities to synchronise renewals and improvement activity. It will also be important also to

ensure the need to meet delivery targets for major improvement schemes does not weaken the company's focus on timely renewals work.

(3) Are there aspects of our monitoring of HE's network investment that you think require more or less emphasis?

We note two aspects which would merit greater emphasis:

- Para 5.14 mentions reporting on 'post-opening evaluation findings in the round'; this should I think be more central to your monitoring work, as it enables you to report on how far user benefits are actually being realised.
- Para 6.13 refers to coordination of asset management plans with other Highways
- England investment programmes: there could usefully be a link to the Route Strategies and Strategic Studies here, as they are likely to pull together a good deal of summary data on asset condition which should be informing the detailed asset management plans.

One aspect where there could be less emphasis:

- Para 5.10 proposes monitoring not just delivery milestones, but also new highlevel indicators such as lane kilometres of new scheme. However, rather than assessing outputs of this sort, we feel it would be of greater value to focus as far as possible on outcomes for users in terms of journey experience.

I hope these comments are helpful. We will be happy to expand on them in discussion as you finalise your approach.

Yours sincerely

Guy Dangerfield

Head of Transport User Strategy

Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this consultation?

Yes we do.

Does our proposed approach for monitoring Highways England's network investment fulfil our role in a way which meets your requirements as a stakeholder?

Yes, we believe the proposed approach fulfils ORR's role in a way which is aligned with HTMA requirements as a stakeholder, particularly as you bring independence to the discussion and act as a sounding board for our concerns, some of which we list here.

Firstly, HTMA would like to see even more openness and transparency from Highways England in the way it conducts its business. HTMA members would benefit from more predictable workloads allowing earlier investment and longer commitments and therefore we always welcome more engagement with clients. It brings many more benefits than simple one-way consultation and is a route to better competition and better value for money.

Secondly, we would like to see a consistency of procurement/contracting approach across the portfolio and with other clients, alongside an overall reduction in tendering and overhead costs associated with working for Highways England. We would also like to understand why changes in procurement occur and would like to see the strategic rationale published in advance and then evaluated post-procurement. For example, the on-going changes in maintenance procurement should be evaluated quickly as the roll out currently continues without any visible feedback or learning. A more strategic evaluation would establish whether or not aims of new procurement routes have been achieved and this would benefit HTMA members who need/want to adjust their business models and arrangements to respond quickly and effectively to these new approaches. We would welcome more pre-market engagement.

Thirdly, we would like to see a reduced burden around reporting or at least to be assured that the reporting we do undertake is used effectively with an appropriate return on investment. This burden comes down the supply chain and often consumes precious resource.

Finally, and as an industry stakeholder, HTMA are always interested in how Highways England manages its highways operation and maintenance functions and in seeing how Highways England is delivering efficiently and effectively in everything it does. It allows our members to prioritise and focus their support and investment.

Are there aspects of our monitoring of Highways England's network investment that you think require more or less emphasis?

In section 3.8 there is reference to ORR's main focus being on testing Highways England's own assurance processes, rather than creating separate parallel processes. We think this is the right approach. HTMA endorse the statement made in 3.8, and would simply suggest the addition of sufficient sample auditing to reinforce the assurance findings.

Overall and as term maintenance providers, we are concerned that the monitoring role does not become over-focussed on the delivery of the major improvement schemes. Capital maintenance and renewals alongside strong asset management and whole life cost thinking are vital to keep the whole network in good long term health. Major schemes only touch a minority of the network. HTMA feel that the wider relationship between routine maintenance and capital maintenance should be examined in order to understand how best practice

asset management principles are being adopted. Within the introduction (1.1) it could be made more clear (or the split clearly published) as to what is actually spent on maintenance. Only renewals and major improvements are shown and HTMA are concerned to understand that the right levels of investment are going into routine maintenance.

Section 6.4 lists four approaches that ORR proposes to adopt to monitor maintenance and renewals: HE capability, condition metrics, intervention specific reviews and programme level delivery. Considering the significant reliance on the supply chain for delivery of the maintenance and renewals programme, HTMA feel that ORR should also look at how the programme is procured and how the contracts are managed. It is not clear whether ORR intend to examine this under the wider approach of looking at Highways England's capability. We would also like to see ORR (or Highways England) compare the different maintenance contract models on a like for like basis to show which one provides the best outcomes and value.

The monitoring of condition metrics seems to be overly focused on the pavement asset. This is, in part, understandable as it is the most significant asset and there are well established methodologies for condition assessment. HTMA would like to see ORR examining what Highways England is doing to improve the way other asset types are assessed and how the condition of one asset type impacts on others. One clear example is to understand how any underperforming drainage assets could be impacting the durability of the pavement substructure.

Clean Highways

Attn Sara Subtil, ORR

This is my response to your Monitoring Highways England's network investment Consultation July 2016. Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this

consultation? I do not agree with the ORR's interpretation of its statutory duty. You say "The Office of Rail and Road (ORR) has responsibility for monitoring Highways England's delivery of the Road Investment Strategy".

However: Under S10 (1) of the Infrastructure Act the ORR must carry out activities to monitor how Highways England exercises its functions. S10(2) says those activities may include investigating, publishing reports or giving advice to the Secretary of State on whether, how and at what

cost HE has achieved its objectives under a Road Investment Strategy. Your priority is to monitor the functions of HE regardless of whether the DfT has set out an objective for their fulfillment in the RIS. For example under the Schedule 1 Section 111 of the Infrastructure Act HE is a duty body for the purposes of Environmental Protection Act

S89 (duty to keep land and highways clear of litter etc). One of its functions therefore is to ensure, so far as is practicable, that its network is kept clear of litter and refuse. There is no objective set out in the RIS for the fulfillment of this function.

Monitoring compliance with EPA S89 is a must whereas monitoring the fulfillment of the RIS objective on, say, biodiversity should be given less priority.

Does our proposed approach for monitoring Highways England's network investment fulfil our role in a way which meets your requirements as a stakeholder?

No it does not. You place too much emphasis on obtaining data from HE. In the case of monitoring compliance with HE's EPA S89 duty you should directly monitor the cleanliness or otherwise of the motorways and decide whether or not they are complaint. The DfT appoints your Chairman and pays your salaries. By prioritizing the monitoring the objectives set out in the RIS by the DfT you are not being seen to act independently of the DfT. Are there aspects of our monitoring of Highways England's network investment that you think require more or less emphasis? Yes, you should place more emphasis on monitoring HE's compliance with its duty under the Environmental Protection Act S89(1).

I am responding as an organization Clean Highways www.cleanhighways.co.uk We represent the road users concerned about the littered state of our nation's roads. Their feedback can be accessed at www.cleanhighways.co.uk/highways-agency/complain-about-litter-on-highways-england-network

I am writing this in haste as I only came across the consultation document a hour ago by chance. I note that it closes tonight. I am wondering why it had not been drawn to my attention by the ORR with whom I met on 14th September. Could you please provide me with a list of those people and organisations that were informed of the consultation.

Peter Silverman

Interserve

Dear Sara

Please find below our observations concerning the 3 questions asked within your consultation document above.

1. Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this consultation?

We understand and agree in general with the "monitoring with assistance" taken by ORR, when considering that Highways England (HE) is a new entity only just acclimatising to its new responsibilities. Highways England does require an element of nurturing to give itself confidence to deliver the RIS programmes.

2. Does our proposed approach for monitoring Highways England's network investment fulfil our role in a way which meets your requirements as a stakeholder?

The ORR role needs to go further as far as we are concerned as a stakeholder who depends on the highways programme to remain in business. Specifically, ORR should be monitoring the expenditures by HE in each of the business areas stated within HE's OJEU notices. As stakeholders we are spending exorbitant resources in bidding for work opportunities that to date have not materialised. ORR should be scrutinising HE procurement models far more closely.

Additionally, HE place significant requirements on their suppliers with respect to the environment, social responsibilities and collaboration. HE should be measured with their own performance declared showing their comparison with other similar organisations eg Environment Agency, MoD, Network Rail.

HE's internal investments required to manage the RIS programmes should be monitored and reviewed for their efficacy. HE's new procurement models often require their recruitment of specialists from their current/previous suppliers. Hence the supply-chain is likely to be criticised in the future for a lack of capable resource when HE have directly contributed to that problem. Their new procurement models could be perceived as self-defeating unless they supplement and not detract from the expertise currently existing within the industry.

3. Are there aspects of our monitoring of Highways England's network investment that you think require more or less emphasis?

Annual spend programmes require a greater degree of monitoring as any deferment in expenditure for whatever reason always adversely affects the supply-chain and therefore its ability to exist.

Kind Regards

John

John Ward Business Development Manager
Interserve Construction Ltd
Redefining the future for people and places

www.interserve.com

Monitoring Highways England's network investment consultation

29 September 2016

Consultation Response - preamble

ICE would like to thank the Office of Rail and Road (ORR) for conducting this consultation on the monitoring of Highways England's network investment and seeking stakeholders views on how the ORR proposes to monitor Highways England's network investment plans and delivery of those plans

About the Institution of Civil Engineers

The Institution of Civil Engineers (ICE) is a UK-based international organisation with over 90,000 members ranging from professional civil engineers to students. It is an educational and qualifying body and has charitable status under UK law. Founded in 1818, ICE has become recognised worldwide for its excellence as a centre of learning, as a qualifying body and as a public voice for the profession.

Summary

In 2015, ICE welcomed ORR's revised role, which we agreed was necessary to monitor how well Highways England are delivering against the Performance Specification, Investment Plan and its licence.

At this time, we stated that the key issues for ICE with this new arrangement would be ORR's:

- willingness to engage and receive advice from industry experts;
- ability to benchmark performance; and,

In doing so, ICE's Transport Expert Panel expressed willingness to support the ORR and thank them also for taking the time to meet with us to explain the nature of these proposals, and provide initial responses to the questions and comments raised during this meeting. We set out our response to the consultation questions below.

ICE response to consultation questions

1) Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment as set out in this consultation?

ICE understands the scope of the ORR's role with respect to monitoring Highways England's network investment. We believe the opportunity exists to drive greater performance and efficiency from Highways England through this role leading to a more effective and value for money road network.

2) Does our proposed approach for monitoring Highway's England's network investment fulfil our role in a way which meets your requirements as a stakeholder?

Monitoring investment

ICE's objectives as a stakeholder, are that the performance of the network and its assets are managed effectively to ensure that user needs are best met. For the Strategic Road Network, this means a good level of service; value for money; and relieving our capacity constrained networks at the critical points which undermine the effective movement of people and goods and our quality of life.

To effectively monitor Highways England and its network investment will be a significant task, and we hope that the resource available to the ORR is sufficient to oversee both our stakeholder objectives, and the investment delivered through a major programme of major schemes and highway maintenance.

A key focus for ORR is to develop a baseline and assess the capability of Highways England to deliver a high performing road network that is delivered in an efficient way. The use of effective benchmarking from comparable sectors, and internationally, would support the development of this baseline. From the consultation document, there is limited evidence on the use of benchmarking. We would like to see ORR set out in greater detail how they would use benchmarking.

ICE also believes that this baseline should also be used to demonstrate the efficiencies that HE should strive to achieve. At present there is limited definition of what is meant by efficiency, potentially leaving an open interpretation of efficiency gains. There needs to be an effective means of assessing efficiency gains.

Whilst we recognise that the ORR intend to work with Highways England to understand their delivery model and plans to ensure that their risk and asset management strategies are appropriate, supply chain capability must also be monitored. Statistics on a scoresheet may not provide a realistic picture of how things are progressing throughout the supply chain in terms of monitoring quality and encouraging innovation. It is therefore important that ORR recognise the important role supply chain when it monitors capability. At the last rail review there were positive assurances from the supply chain contractors and Network Rail (NR) that they could deliver NR's plans. However, these were not delivered

according to plan. There was excessive optimism in both resources and costs. Can the roads sector provide better and more reliable assurances? If so, how will the ORR check? We would encourage ORR to get out amongst the projects to find out what is happening on the ground, perhaps using consultants if staff resource is insufficient. Desk-based monitoring alone would be insufficient.

3) *Are there aspects of our monitoring of Highways England's network investment that you think require more or less emphasis?*

At present there is no monitoring of RDEL (Resource Department Expenditure Limit) spending by Highways England. In the regulated sector and particularly the utility sector Totex (Total Expenditure) is a key measure. Preventative maintenance practice is an important part of asset management and we do not believe a capex only approach can provide the best whole life cost solution for the network. We would like to see ORR adopt an approach that will encourage the right trade-off between CDEL (Capital Departmental Expenditure Limit) and RDEL (Resource Delegated Expenditure Limit) expenditure to provide the optimum whole life costs.

We would also like to see value of the highway asset itself monitored. Internationally, particularly in Australia and the USA, asset value plays an important part in investment decision making and financial planning particularly through the use of sustainability indices.

Monitoring Costs

There needs to be some monitoring of what accurate project costs are. Infrastructure UK's Infrastructure Cost Review (2010) attempted some analysis of why costs in this country are higher than other EU states of similar road networks and population density. The sample size used by IUK, and highlighted in Annex C of the report, proved inconclusive and did not present robust conclusions. There is still a lot of uncertainty on this issue. However, key findings drawn from the cost review were that:

- The complexity of a highways project directly affects the outturn cost with positive correlation
- When compared to a network that experiences similar levels of usage intensity, the costs of construction for improving and widening the UK highways network are slightly higher.
- The higher construction costs are partly due to the higher specifications imposed in the UK. There may be scope to consider lowering the UK specification but whole life cost, the asset management plans and legal liabilities must all be considered.
- By specifying high standards in the UK (for example, a long design life for structures) but operating within the spatial and planning constraints that prevent incorporation of flexible plans for future expansion, the UK is designing cost and long life into structures that may require replacement when future expansion is carried out.
- The positive effects of economies of scale and introduction of standardised structures could deliver benefits in future widening and improvement programme.

If ORR could establish a methodology of monitoring project costs, with the intention of recommending good practice models for delivery, this could help reduce overall costs and encourage innovation throughout the supply chain.

We would also like to see more effective monitoring of the standards adopted by Highways England and whether they provide efficient engineering and asset management solutions [i.e. we are not paying for an over performing network]. We recognise that safety must not be compromised.

28 September 2016

Sara Subtil,
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Dear Sara,

Monitoring Highways England's network investment - Consultation, July 2016

Introduction

The Mineral Products Association (MPA) is the trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar and silica sand industries. With the recent addition of British Precast and the British Association of Reinforcement (BAR), it has a growing membership of 480 companies and is the sectoral voice for mineral products. MPA membership is made up of the vast majority of independent SME quarrying companies throughout the UK, as well as the 9 major international and global companies. It covers 100% of GB cement production, 90% of aggregates production, 95% of asphalt and over 70% of ready-mixed concrete and precast concrete production. Each year the industry supplies £20 billion worth of materials and services to the Economy and is the largest supplier to the construction industry, which has annual output valued at £144 billion. Industry production represents the largest materials flow in the UK economy and is also one of the largest manufacturing sectors. (For more information, visit: www.mineralproducts.org)

MPA welcomes the opportunity being provided by the Office of Rail and Road to consult on its activity in monitoring the investment by Highways England. Our responses to the questions raised in the Consultation document, dated July 2016, determined by consultation with Members, are outlined below.

- ***Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this consultation?***

MPA welcomes the consultation proposals as this is the first time that the national road programme has been subject to consistent and independent monitoring.

- ***Does our proposed approach for monitoring Highways England's network investment fulfil our role in a way which meets your requirements as a stakeholder?***

The general information requirement and approach set out in the consultation does not seem unreasonable given the size of RIS1 and potentially RIS 2.

The outputs of monitoring itself should deliver further reasonable performance challenges to HE against which they should also be monitored e.g. prioritisation and rate of improvement, allied to level of improvement.

The Mineral Products Association is the trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar and silica sand industries

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Registered at the above address

The monitoring reports currently appear more focused on spend, not volume / output - the quantum for “actual volumes” is only high level e.g. lane miles delivered.

We note that some renewals works may be carried out (more efficiently) as part of or associated with major contracts, but would seek reassurance that this does not result in ‘double-counting’ of investment / output.

- ***Are there aspects of our monitoring of Highways England’s network investment that you think require more or less emphasis?***

A key issue for supply chain businesses is that there is a predictable and sustainable flow of work and that the pipeline of work is transparent and reliable in order to build confidence to enable appropriate planning, preparation and investment as necessary. Significant unplanned downturn in renewal work so far in financial year 2016/17 and the backloading in terms of scheme starts in RIS1 does not seem consistent with the most efficient management of the programme? Would it not be more sensible to bring “shovel ready” schemes forward where possible to provide a more even work and funding profile? How can suppliers be confident that work will be let in a consistent and efficient (smoothed demand) manner for the rest of RIS1?

As RIS 1 is backloaded, what guarantee is there that there will be sufficient funding in RIS2 to pay for ongoing RIS1 projects (or how will this be accrued?), in addition to new schemes? What practical steps might be considered, particularly towards the end of RIS1, to take account of any potential supply chain constraints, should they arise given any inability to plan as above. For example there is a risk of overloads of work in specific locations as a result of competing infrastructure demands e.g. HS2, Hinkley C etc., which will lead to inefficiencies of supply and project delivery.

The Highways Monitor (HM) should consider how well the granularity of detail of schemes e.g. location; timing and volume demand; nature of work; maintenance or major projects; as well as £ investment is communicated and monitored against published plans. The current reports seem to focus on ‘top line’ levels of investment, but these do not appear to consistently translate to product demand or output volume (and efficiencies).

HM could review how much and how well advance information is being made available to HE supply chain businesses on the pipeline/planning of schemes and programmes to enable better procurement and preparation of bids and tenders. This could be supported by surveys of supply chain businesses to check if this information flow is timely, accurate and sufficient to enable e.g. advance procurement whilst also driving optimised design, efficiency & safety.

Finally, while we appreciate that the scope of ORR as HM is restricted to the Highways England network, we have significant concerns about the rigour of monitoring for the remaining 98% of the network, namely that under the control of Local Highways Authorities. The LHA network is potentially even more critical to the nation as practically every journey of goods and people starts and ends on a local road. Decades of underfunding have left that network in a poor condition with a significant backlog of maintenance work and little indication of the significant funding required to bring it up to acceptable condition being brought forward. Local highway maintenance funding is only a fraction of that being invested in the HE network and the level of scrutiny to ensure that it is invested in the way it is

intended, leading to a state of “managed decline”, is of concern. The relationship with, and variations in, LHA (and other infrastructure investment) demand could, at a very local level, also impinge on delivery to the HE network and may warrant some HM scrutiny. We do also appreciate the resource impact that this may bring upon HM operations.

We hope that the views of MPA will help inform this Consultation and look forward to further engagement with ORR.

Yours sincerely

A handwritten signature in black ink, appearing to be 'M. Simms', is written over a faint, light blue circular watermark.

Malcolm Simms
Director, MPA Asphalt

Office of Rail and Road: consultation on Monitoring Highways England's network investment ~ Response from Campaign for Better Transport

Campaign for Better Transport is a leading charity and environmental campaign group that promotes sustainable transport policies. Our vision is a country where communities have affordable transport that improves quality of life and protects the environment.

We welcome the opportunity to respond to the Office of Rail and Road (ORR) consultation on monitoring Highways England's network investment.

Summary

We welcome the important role played by ORR in monitoring the performance of Highways England (HE). The £15bn capital expenditure being spent through the first Road Investment Strategy (RIS) is a significant amount of public funds and its deployment will have a significant impact on the environment and on communities across England.

The consultation asks if ORR's proposed approach for monitoring HE's network investment meets our requirements as a stakeholder, and if there are aspects that we think require more or less emphasis.

The complex RIS programme requires sophisticated monitoring: we welcome the range of monitoring approaches proposed by ORR, looking at management capability, management outcomes, programme delivery and in depth reviews of sample projects and programmes.

We would like to see this approach applied in particular to the areas of HE work on

- designated (ring fenced) funds
- design and the Design Panel
- scheme development and evaluation
- safety and All Lane Running
- vulnerable road users, cycling & integration.

Designated funds

We have a particular interest in seeing that the designated funds are spent well, and that this spending is publically reported in full.

In 2014, along with 12 other environment and transport groups, Campaign for Better Transport proposed that a proportion of RIS funding should be allocated for a 'green retrofit' of the Strategic Road Network: we achieved ring-fencing of about £500 million of the RIS to help reduce the impact of existing roads on the environment and local communities.

We welcome the enthusiasm of HE for having these funds, and the opportunity they afford for innovative work. We have engaged with Highways England in good faith to advocate for effective allocation of the funds to achieve the green retrofit goals. The quality of engagement by HE has been patchy. Since January 2016, there have been meetings where HE fund leads have updated NGO reps on the broad budget allocations and fund headlines: we recognise that this represents a significant commitment of senior HE staff time and that there is a sincere attempt to engage with the NGO sector.

In particular, the Innovation Fund lead has engaged proactively with bodies such as the Smarter Travel Forum to share ideas and shape best practice: it is perhaps in the nature of the innovation function that this is the case.

In addition, there has been good engagement through the HE Vulnerable Road Users Committee (VRUC) on developing the accessibility and cycling strategies (although we are not convinced the strategy's aims are consistently delivered in actual schemes).

However, we are concerned that the promised air quality action plan and environment strategy have not yet been published, yet funds are already being allocated within these fund areas.

There has been a failure to share quite basic information, such as regional contacts, for NGOs wishing to engage with specific projects. There has also been little or no feedback to NGOs on project suggestions.

There has been little information shared on the projects funded, beyond a few case studies, reducing the ability for scrutiny and the opportunity to share and mainstream best practice for future programmes. We would like to see the designated funds allocations made available as open data, accessible to other groups and the general public. This is particularly important given that the funds are supposed to be spent 'beyond business as usual'.

We believe ORR monitoring should include:

- Effective relationship of the fund spend to the HE strategies
- Quality of engagement on the designated funds
- Transparency and detail of reporting on the designated funds
- Extent to which the funds have been spent on genuinely additional work.

Highways design and the Design Panel

Campaign for Better Transport welcomes the creation of the HE Design Panel of which we are members. The vision for the Panel – providing independent design expertise and constructive criticism of specific projects in sensitive or high profile locations – is a good one, with potential to do valuable work.

In practice, we are frustrated that while the Panel has received lengthy presentations on some schemes and has contributed comments, there is little or no feedback on the extent to which the Panel's input has been taken on board.

The Panel benefits from a range of expert members, including HE's Chief Highways Engineer who currently chairs the Panel: however, we believe the Panel would work better with an independent Chair who would be better placed to provide constructive challenge to HE's work.

HE has recently produced a forward programme of potential schemes for Design Panel review, which is a welcome step: however, without clear dates attached, this is of limited benefit as a work programme.

We believe ORR monitoring should include:

- Effectiveness of the current Chairing and membership in providing effective challenge
- Responsiveness of HE to the challenge supplied by the Panel, including clear feedback
- Clarity of the Panel's work programme in contributing in a timely fashion to HE work

Scheme development, appraisal and Post Opening Evaluation

Key parts of the RIS are design and delivery of current schemes and contributing to route strategies and strategic studies to inform RIS2.

We are concerned that HE has too narrow a focus when contributing to developing and appraising specific schemes within the RIS, particularly in terms of considering non-highways based alternatives. Demand

management programmes have shown very high levels of value for money and, by also saving on new construction, can improve the overall efficiency of the RIS.

Given the many policy drivers behind a multi-modal approach (including but not limited to the Government's Cycling & Walking Investment Strategy, Rail Freight Strategy) and policies to address carbon emissions, obesity and air pollution, it is important that a full range of alternatives is properly considered, even when these may lie outside HE's core area of expertise.

HE has trouble modelling traffic growth accurately. The Post Opening Evaluation reports are an important resource but understandably HE chooses to present the most positive interpretation of scheme performance. Even so, we note that on the most recent (May 2015) meta-analysis, HE reports that only 68% of schemes accurately forecasted traffic flows (+/-15%), and that there is much variability in accuracy between schemes.

Recent research by Professor David Metz and others suggests that the conventional value of travel time in scheme appraisal needs review: the DfT is now consulting on possible changes to the WebTAG guidance on wider economic impacts of schemes. It is important that HE scheme appraisal and reporting is seen to be sensitive to emerging best practice.

HE's work has a major impact on air pollution and on carbon emissions. The UK Government has been found to be in unlawful breach of air quality standards with local authorities required to implement action plans to reduce air pollution. The major source of NOx and particulates is emissions from diesel engines, whose real world performance routinely breaks vehicle standards. Even a marginal increase in traffic levels will adversely impact roadside air quality as recognised in the recent M4 Inquiry. The UK has a binding target of an 80% CO2 emissions reduction by 2050: reducing transport emissions is key to achieving this and it is questionable whether these emissions can be reduced quickly enough through a move to low and zero emission vehicles alone. Detailed monitoring of the efficacy of HE assumptions, monitoring and mitigation measures for air pollution and carbon emissions are therefore essential: we would argue that this requires refreshed, more stringent KPIs for future HE contracts.

We believe ORR monitoring should include:

- Extent to which HE properly considers non-road alternatives, including demand management, in scheme development
- Accuracy and currency of traffic modelling, including in depth review of one or more completed schemes against the forecast impacts
- Adequacy and accuracy of air pollution monitoring and efficacy of mitigation proposed
- Adequacy and accuracy of carbon impact assessment and efficacy of mitigation proposed.

Safety and All Lane Running

The House of Commons Transport Committee conducted an important inquiry into All Lane Running earlier this year, to which Campaign for Better Transport gave evidence, as did motoring organisations and the emergency services, all of whom expressed grave concerns about the policy in practice. The Committee clearly recommended a halt to the further rollout of All Lane Running, but this recommendation has since been rejected by the Government.

The original managed motorway concept was successful: in the pilot study on the M42, where Active Travel Management was used, safety improved by nearly 56%. We regret this approach has not been extended. Given the significant and continuing concerns raised about All Lane Running, we feel this is a key area for ORR monitoring.

The recent decision to approve conversion of the M4 (Junctions 3-12) to All Lane Running came with recognition by the Planning Inquiry panel of concerns about the air pollution impacts of adding a lane of traffic while removing the buffering effect of the hard shoulder, and a requirement for mitigation should air pollution worsen.

We believe ORR monitoring should include:

- Actual safety performance of Smart Motorways against projections
- Quality of mitigation schemes proposed and their deployment in practice

Vulnerable road users, cycling, accessibility and integration

The HE Vulnerable Road Users Committee is well-resourced and has been encouraged to produce real input into HE strategies on Cycling and on Accessibility & Integration: this is welcome.

However, we observe that the aims of the strategies are not consistently applied in actual schemes and feel this is an important area for monitoring. There are many examples of this but recent ones include an absence of provision in the M4 J3-12 'SMART' motorway, and in options on the A27 at Chichester. The M20 Junction 10a project seeks to replace a direct crossing on a small lane with a route requiring a significant detour. The emerging Expressway design would exclude cyclists from main routes, with no certainty of a satisfactory alternative, while the feedback on implemented schemes is that the design is often poor.

We have offered to assist HE liaising with public transport operators, particularly bus operators, on integration and hope to see this developing further, in line with the expectations set in the Bus Services Bill.

We believe ORR monitoring should include:

- The degree of practical co-operation between HE and public transport operators, particularly bus operators, on integration.
- The extent to which the Cycling and Accessibility strategies are implemented in practice
- In depth monitoring of this aspect of selected schemes, looking in particular at design quality.

Conclusion

In our response to the 2013 consultation on setting up Highways England and Highways Monitor, we welcomed the clearer funding programme for transport over the long term and the formation of a formal watchdog to scrutinise HE functions. Three years on, it is good to see ORR taking forward the Highways Monitor role.

We were concerned that granting more commercial freedom to the Highways Agency would be accompanied by risks to both transparency and the limited current processes of consultation with the public and community representatives in areas affected by funding decisions, and look to ORR to address this.

We have been pleased to contribute to this and other ORR consultations and look forward to continued joint working on this important agenda.

September 2016

Bridget Fox
Campaign for Better Transport

Campaign for Better Transport's vision is a country where communities have affordable transport that improves quality of life and protects the environment. Achieving our vision requires substantial changes to UK transport policy which we aim to achieve by providing well-researched, practical solutions that gain support from both decision-makers and the public.

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29 September 2016

Dear Sara,

Monitoring Highways England's network investment consultation

We welcome the opportunity to provide you with our response to your consultation on the proposed approach to monitoring Highways England's network investment.

As part of the first Roads Investment Strategy (RIS 1), Highways England is tasked with delivering a record £11.4 billion of capital investment to enhance and improve the strategic road network by 2019/20 and we are committed to doing so in a way that delivers real benefits for all roads users and offers the best possible value for taxpayers' money.

In line with our respective statutory duties and wider governance framework obligations established under roads reform, we recognise the important role that the Office of Rail and Road (ORR) has in monitoring our delivery of the capital investment programme and assessing whether we have provided value for money. We are confident that we have demonstrated our willingness to work with ORR and support the constructive engagement between the organisations to date and we will continue to work in this way. We welcome this consultation as an opportunity to help shape the investment monitoring framework and will endeavour to work closely with you in the coming months to ensure the chosen approach, when implemented, works effectively and efficiently for all parties. It is in our interest to ensure that monitoring is proportional and risk based.

We have listed the general points that we wish to raise in response to the consultation below, and provided specific responses on individual areas of the consultation in the attached **Annex A**.

1. Having established Highways England in 2015, this is the first time Government has committed to a five-year capital funding settlement. This is underpinned by legislation, and represents a step change in the level of investment in the network. Since 2015 Highways England has changed the way we plan, deliver and monitor our activities in maintaining, renewing and enhancing the network, and how we provide assurance that we are delivering value for money for taxpayers. However, these are early years for the company and we are continuing to build our capability and embedding these revised processes into the organisation. We have some concern that the extensive "deep dive" analysis may become business as usual activities, rather than risk based activities in response to identified need. It is therefore our expectation that monitoring of the capital programme will also develop over time and the proposals contained in the consultation will be reviewed regularly to avoid this happening.

2. We recognise that the monitoring approach outlined in the consultation is one potential way of monitoring a capital programme and is informed by ORR's many years of experience of regulating Network Rail. However, we note that there is a spectrum of potential options for monitoring capital investment. We understand that the proposed approach is designed for the current programme. Our expectation is that as we mature as a company and build confidence in our ability to deliver, the monitoring framework will be adapted to ensure that it remains fit for purpose. Indeed, as the framework develops, we propose that there would be merit in drawing on elements of the approaches adopted in monitoring large capital programmes from other infrastructure sectors to reflect best practice, risk-based regulation.
3. We also reiterate the need to ensure that there is a proportionate balance between monitoring inputs, processes, outputs and outcomes. We recognise the objectives of ORR in assessing internal processes, capabilities and project level delivery (albeit on a sample basis), as Highways England are still developing these capabilities. However it is important to ensure that opinions on the method of delivery do not become more significant than 'the bigger picture' of whether we are delivering the programme as a whole.
4. The consultation acknowledges that the best practice principles enshrined in the monitoring framework (transparency, accountability, proportionality, consistency, targeted and independence) should be reflected in the adopted approach. Paragraph 3.6 of the Memorandum of Understanding (MoU) between the Department for Transport and ORR elaborates on what is intended by the principle of proportionality. The MoU states that the Monitor will *'aim as far as possible to require only data, commentary and analysis that the Company already requires and produces for its own business management purposes under the new framework... [and] only request new information when existing sources have been exhausted and there is a clear need for the information to allow the Monitor to reach a conclusion'*. We are keen to ensure that these aims are realised in practice.
5. In line with the principles set out in the MoU, we are expecting that ORR will look, wherever possible, to use existing management information to support its monitoring of the network investment programme. At a portfolio and programme level we are already following these principles and reporting in this manner, and we are assuming that the same principles should apply for more detailed deep dive reviews and capability assessments. Highways England's internal portfolio, programme and project assurance processes include reviews at different stages in the project lifecycle. We encourage ORR to consider, as its starting point, the extent to which it is able to base its monitoring on the information produced as part of these existing assurance processes.
6. Avoiding duplication of activity is also important, particularly on major schemes. Tier One schemes are subject to a number of central Government assurance and approval processes, these include Treasury Approval Points (TAPs) and reviews by the Infrastructure Projects Authority (IPA), Department for Transport (DfT) and National Audit Office (NAO). In line with this principle, we would advocate that ORR discusses its proposed approach to any deep dive activity on these schemes with the DfT, Cabinet Office (CO) and Her Majesty's Treasury (HMT) rather than undertaking separate assessments. This aligns to the MoU objective that monitoring should *'avoid requiring the Company to report information more than once'*

7. In some cases, particularly where the consultation is covering activities that ORR are not currently undertaking, we would like more information on the proposals. For example it is not clear from the proposals how deep dive and capability assessments will be resourced or delivered. Whilst we recognise the importance of these activities to ORR, we will want to ensure that the activities do not significantly or unnecessarily impact on our day to day activities. Therefore it is important for us to understand, and engage with ORR as you develop more details on the “deep dives” and capability assessments, and how they will be carried out in practice.

Yours sincerely,

Mark Bottomley

Divisional Director
Strategy and Planning
Highways England

Annex A

Monitoring portfolio, programme and project management capability

Through our Programme Delivery Partner (PDP) strategy of transferring and developing specialist skills, we have started to make good progress in developing an implementation plan to enable us to achieve improved capability, which could be measured through a P3M3 maturity model.

Through engagement with yourselves we propose to keep you informed on the development and delivery of our plans, thus avoiding duplication. We believe that our own maturity assessments can be used as a means of providing visible evidence and assurance to satisfy and complement your monitoring requirements. In line with these principles we will want to ensure that any capability assessment for the capital programme is aligned with activity to assess future efficiency assessment for RIS 2, and not duplicated.

We also have plans to develop and embed an asset management framework which is consistent with ISO 55000. This includes planned annual capability assessments of our progress, which will be undertaken through external audits. Again we would look to share the outcomes of these audits and work together to shape the activities necessary to meet both Highways England's and ORR's requirements rather than duplicate work.

Monitoring the network investment portfolio

Highways England established a Capital Portfolio Management function in November 2015. This aims to maximise the benefits and value for money of the investment programme and mitigate the risks to delivery of that programme. This is also a key aspect of improved transparency and reporting.

At present we report on a monthly, quarterly and annual basis to you, reviewing delivery of the portfolio in the round and assessing the risks and opportunities that this brings about. Whilst anticipating that they will be refined over time, we consider the proposals outlined in the consultation to be largely in line with current practice and a sensible way of continuing to monitor our delivery.

As you are aware we are still developing our maturity across a number of areas including data intelligence, unit costs, cost trend analysis and management of risk. Expectations at this stage need to recognise the current position as well as the direction of travel through the development and maturity of the processes that we are currently embedding.

Monitoring delivery of major Schemes

Through the Project Control Framework (PCF), Highways England has a robust and well established process in place for managing the delivery of major schemes. Similar to monitoring the network investment portfolio we already have effective reporting mechanisms in place enabling us to report on a monthly, quarterly and annual basis which allow us to review progress risks and opportunities at a programme and project level by exception.

As previously stated in points 5 and 6, whilst we recognise the desire and objectives of the proposed deep dive reviews, we would like to work with you to understand how our own internal and independent external portfolio, programme and project assurance reviews can

meet your requirements and reduce the potential for duplication. The risk for conflict and confusion, particularly in relation to Tier One schemes, between the assessments undertaken by other Government Departments and ORR also needs to be considered. Similarly in line with point 4, ensuring we use existing management and publically available information is important. Post Opening Project Evaluations (POPE's) are produced for all major schemes and could be used for assessing outcomes to projects.

In order to operate efficiently we would like to agree a suitable frequency and forward programme at the start of each financial year so that we can plan accordingly.

Monitoring delivery of maintenance and renewals

Highways England's maintenance and renewal of the network is planned and delivered in a manner which ensures it operates to a safe and serviceable level.

Maintenance and Renewals projects are selected on the need to maintain safety and performance requirements and are subject to a value for money assessment. The works are designed to strike a balance between capital cost and the maintaining the long term value of the network. Currently we report expenditure against budget, renewals volumes and asset inventory and condition information on a monthly and annual basis.

You are aware that we are currently in the process of developing and improving our asset management capability, data and systems. In time we expect to provide further assurances and evidence to demonstrate that our maintenance and renewal approach is delivered in a sustainable and efficient manner. We understand from the proposals set out in your consultation that "deep dives" will focus on assessing the robustness and application of the processes for planning and delivering maintenance and renewal interventions, rather than looking at the delivery of individual schemes. We believe that the right approach for asset management is to consider the programme as a whole and allocation and management of risk within the wider framework of the RIS.

We will work with you to develop the scope of these reviews and consider how they can be delivered.

Monitoring delivery of ring fenced funds

The ring fenced funds (RRF) are a new concept introduced as part of the first RIS to address a range of specific concerns and issues not previously covered through business as usual activities.

We recognise the importance stakeholders and interest groups place on these funds and that providing visibility of these plans is integral to ensuring they achieve their desired outcome. We have held a number of engagement sessions with interested groups, and propose to continue to seek their views and keep them informed as progress is made and plans are developed and delivery is progressed.

After our first year, governance processes for the funds are now being embedded across the business and fund plans developed and starting to be delivered. We strongly recommend that the scope of the "deep dives" into the RRF is carefully considered to recognise the broad objectives of the funds. We will work with ORR to support this process.

Strategic Studies

Strategic studies look at identifying potential solutions to significant and long-standing congestion hotspots across the country. They are owned by the Department for Transport with Highways England managing the delivery of them on their behalf. The Department are responsible for overseeing the management and governance of the studies and ultimately reporting progress, emerging findings and outcomes.

We consider the existing arrangements to be sufficient and believe that the proposals outlined in the consultation for ORR's role risk duplicating responsibilities of the Department. However, recognising your interest and role in developing RIS 2 we will continue to engage and update you on progress throughout their delivery.

Chartered Institution of Highways & Transportation

Response to the ORR consultation - Monitoring Highways England's Network Investment

Charles Yankey, Policy Officer, Chartered Institution of Highways and Transportation (CIHT),

CIHT is a charity, learned society and membership body with over 13,500 members spread across 12 UK regions and a number of international groups. We represent and qualify professionals who plan, design, build, manage and operate transport and infrastructure.

CIHT welcomes the opportunity to respond to the ORR consultation 'Monitoring Highways England's network investment'. The ORR plays an important role evaluating and monitoring the work and ultimately helping in ensuring the effective provision of the Strategic Road Network (SRN).

CIHT recognise that it is important for the ORR to demonstrate and evaluate improved performance and value for money in the first Road Investment Strategy (RIS). Effective use of funding of the remaining period of RIS will lead to increasing confidence in the planning and delivery of the next Road Investment Strategy, this will provide the on-going certainty and continuity of funding that is fundamental for the sector.

Question 1: Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this consultation.

CIHT broadly agrees with and understands ORR's scope in monitoring Highways England (HE).

Whilst CIHT understands that the monitor's role is specific to the Strategic Route Network (SRN), CIHT believes that performance improvements may be negated unless the effects on the remainder of the highway network are fully understood and evaluated. Highways England's interaction (including investment) with, and possible effects on the Local Highway Network (LHN) should be acknowledged in the document. It is important that this relationship and interaction is understood as a potential cross-cutting risk.

Question 2: Does our proposed approach for monitoring Highways England's network investment fulfil our role in a way which meets your requirements as a stakeholder?

Further clarification is required on how the approach will achieve the benefits outlined on page 38. CIHT agrees with the range of benefits listed but we remain unclear on how the approach, which is based on checking Highways England outputs, would achieve the benefits, which are outcome related.

The holistic approach (as acknowledged in the document) to monitoring Highways England delivery should include the SRN interaction with the LHN. It is important that the impacts of the performance of the SRN on a broad range of interests is understood.

CIHT appreciates that the ORR has involved CIHT and other stakeholders in the process so far. CIHT acknowledges that this is a developing and evolving process for both HE, the ORR and the sector. CIHT would encourage continued regular

engagement with organisations such as the CIHT and other stakeholders including bodies such as the UK Roads Liaison Group (UKRLG), the Highways Terms Maintenance Association (HTMA) and the World Road Association (WRA). The value and experience they and their members can bring, would be of great assistance to the ORR when fulfilling their role.

Question 3: Are there aspects of our monitoring of Highways England's network investment that you think require more or less emphasis?

CIHT recognise that it is important for the monitor to demonstrate improved performance and value for money. CIHT agree with the need to hold HE to account for its performance, which in effect is measuring how efficient HE has been in delivery. CIHT believe that the ORR should also consider that efficiency relates to the overall effectiveness of the network.

As CIHT have previously indicated we believe the following points should also be considered by ORR.

- Co-operation/collaboration with a wide degree of stakeholder including local authorities in order to deliver long-term economic growth and wider aims.
- Developing and delivering innovation in the way services are delivered and acting as an exemplar for the sector in terms of procurement practices that encourage innovation.
- Providing leadership across the sector in terms of safety, skills, diversity, development of standards and guidance and disseminating good practice.

CIHT would also emphasise the importance of the elements set out in the ring-fenced investment funds (Table 7.1). Delivery on these areas is an important function of the HE and subsequently for the ORR to monitor.

MONITORING HIGHWAYS ENGLAND NETWORK INVESTMENT

Response to the Office of Rail and Road consultation by the Campaign to Protect Rural England (CPRE)

September 2016

Introduction

1. The Campaign to Protect Rural England (CPRE) welcomes the opportunity to respond to this consultation. CPRE fights for a better future for the English countryside. We work locally and nationally to protect, shape and enhance a beautiful, thriving countryside for everyone to value and enjoy. CPRE played a leading role in ensuring environmental issues were incorporated into Highways England through its engagement with the road reform agenda. We therefore very much appreciate this opportunity to feed into the Office of Rail and Road's (ORR) consultation.

2. CPRE has around 60,000 members and also over a quarter of parish councils have membership too. The subject matter of this consultation was felt to be too technical and specialised to consult our membership directly. It has however been informed by our transport policy, which our membership led the development of, and ongoing feedback and engagement on specific schemes.

Consultation questions

i) Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this consultation?

3. The consultation makes a complex process as clear as possible without being imprecise. We generally agree with the role for the monitor that is set out and are particularly supportive of the multi-modal approach proposed.

4. We would appreciate greater clarity about how the ORR intends to monitor the adequacy of strategies and plans published by Highways England. Although this may be implicit in some matters, the requirements in its licence to 'develop and implement strategic plans that demonstrate how it will meet its legal duties and other obligations' is a critical initial step to embedding credible processes and securing wider outcomes.

ii) Does our proposed approach for monitoring Highways England's network investment fulfil our role in a way which meets your requirements as a stakeholder?

5. As the consultation notes, monitoring by the ORR needs to be cost effective. While we support the emphasis given to requiring Highways England to publish information in a more transparent way, we would welcome some recognition of the role of stakeholders to identify issues for the ORR to review in more detail.

6. More and better open data is critical to securing this wider scrutiny. CPRE first asked Highways England and the Department for Transport (DfT) to publish the information contained route strategies as open data in 2014. Despite continuing to encourage the adoption of a modern approach to data, there has been no visible progress. Amendments to Freedom of Information legislation contained in the Protection of Freedoms Act 2012¹ make provision as to the publication of datasets, while section 10(4) of the Infrastructure Act 2015 empowers the ORR to ‘specify the form and manner in which the information is to be provided’. Combined with

7. We are concerned about the lack of consideration of landscape impacts and understanding of the challenges in appraising them. We provide further information in the answer below.

iii) Are there aspects of our monitoring of Highways England’s network investment that you think require more or less emphasis?

8. Areas where greater monitoring are needed include:
- Post Opening Project Evaluation process, to ensure that lessons are learnt
 - Route studies, particularly in relation to assessing environmental baselines and ensuring multi-modal planning (this applies to strategic studies too)
 - Areas of work within EDF that HE has less prior delivery experience
 - EDF areas that are harder to appraise and which lack a baseline.

Post Opening Project Evaluation

9. We welcome the proposal to review Post-Opening Project Evaluations (POPE) in the round. In 2006, CPRE together with the Countryside Agency published *Beyond Transport Infrastructure*. We have commissioned an update of this research by Transport for Quality of Life, which, besides including some of the original authors, undertakes reviews for the Department for Transport of some of its programmes. The final report will not be published until the start of 2017, which we would be delighted to share with the ORR. Initial findings indicate that POPEs and in POPE meta-analyses appear, superficially, to be thorough - but when interrogated in detail, many headline claims cannot be substantiated. It will be important to ensure that reviews of POPEs feed into appraisal as well as scheme delivery.

Route strategies

10. Paragraph 5.14 of the licence requires Highways England to carry out joint studies and deliver collaborative solutions where appropriate. This does not appear to be happening and is a missed opportunity for route strategies and strategic studies. While Paris has put proposals for its M25 on hold and has just started construction on a new orbital metro line, no proposal like that is even being considered in the so-called long list of options for the M25 SW quadrant study.

11. The strategic studies could recommend schemes costing many billions of pounds. Clearly it is important to make sure they consider a wider range of options. While the Highways Agency started some excellent work on Influencing Travel Behaviour, funding was cut in 2010. Moreover it did not have a good record of working multi-modally and little seems to have changed.

¹ More information is available in a leaflet from the Information Commissioner’s Office: <https://ico.org.uk/media/for-organisations/documents/1151/datasets-foi-guidance.pdf>

Designated Funds

12. CPRE remains very concerned about the lack of transparency and stakeholder engagement regarding prioritisation for the designated funds. Although Highways England has, after many months of waiting, just published information about how to put forward projects for the EDF, there is no information about how Highways England itself is putting schemes forward. A related governance issue is the lack of a baseline to inform prioritisation. At present there seems to be a reliance on schemes being put forward by internal or external stakeholders, rather than there being a strategic plan in place to assess priorities with reference to baseline data, objectives and targets.

13. Of all the designated funds, the Environmental Designated Fund (EDF) is the largest. It includes areas where Highways England and its predecessor had very little involvement, such as landscape and cultural heritage. And it is these areas that are lacking metrics in the Performance Specification.

14. Figure 2.2 in [Road Investment Strategy: Economic Analysis](#) (DfT, 2015) highlights how of nine different categories considered, landscape and cultural heritage would face the worst impacts from road schemes in the pipeline. That is even though many of those schemes are smart motorways, with limited landtake. According to information presented by Highways England at a stakeholder forum on 26 July 2016, cultural heritage and landscape had the smallest budget allocated for all the areas covered by the EDF.

15. A further challenge is the difficulty in assessing projects in these areas. The DfT *Economic Analysis* notes ‘the challenges around monetisation for these factors’ (paragraph 2.11). The consultation document does not appear to appreciate this challenge, relying on Benefit Cost Ratios to rank schemes.

16. From the limited information we have been able to obtain, CPRE is concerned that the landscape fund is being prioritised based on where people can see roads from their homes. This is not same as landscape impact, in terms of accepted methodologies - receptors for which road infrastructure may cause the most significant change, such as long-distance walking trails, historic gardens or beauty spots in nationally designated landscapes tend not to be in densely populated areas.

17. Highways England states that EDF funds can only be used for ‘defined capital projects’ and there is limited funding for route strategies, meaning that such assessment, whether for the Zone of Theoretical Visibility of the Strategic Road Network (in terms of landscape impact) or cycling opportunities is not happening. Paragraph 5.23(c) of the licence requires Highways England to ‘consider the cumulative environmental impact of its activities across its network’. CPRE believes that such baseline information is needed to comply with this. It would also be extremely useful for route strategies.

CPRE

September 2016

Costain

Sara

Please find below comments on the consultation document that were please to take part in.

Background

- I'm replying personally on behalf of Costain.
- I work as part of the Highways Sector Management Team and interface continually with Highways England.
- I have not specifically canvassed option, from the team, on this subject but have used my general understanding of views
- Costain is a major supplier to Highways England in the Major Projects arena and in maintenance and renewals as part of Aone+

Comments

In making these comments our driver is to ensure the monitors drive performance. As a key supplier, we see our role is to support this performance.

Overall the document is logical and well presented.

Proportionate

- The document says a number of times that the monitoring needs to be proportionate. This is key.
- To get the monitors to drive performance they will be cascaded throughout Highways England and the supply chain. There could be a risk that monitoring the past will distract from managing the future.

Capability

- Longer term it would be better if the capability was measured on outcomes, but it is understood that in the shorter term it will need to be input based

Flexibility

- The priority is at programme and portfolio level. Care needs to be taken that monitors at project level as indicated in section 5.8 do not become restraints. A project spend profile could restrict prudent spending on risk management, whole life cost savings for customer improvements if it affects the project spend profile. This can currently be evidenced.

Procurement

- This may be in more detail than intended but procurement needs to be considered at Portfolio and Programme level, as it actually is being.
- Diagram 2.2 indicates contract appointment at stage 4. There are real benefits with risk management, value engineering and planning if Early Contractor Involvement ECI is used in stage 3. This is also a key component of the supply chain capability/ capacity risk. Earlier engagement facilitates better resource planning throughout the supply chain.

Maintenance and renewal

- Outcome performance monitors need to be linked to industry data/ baselines

Ring Fenced Funds

- There is potential for the monitors of this work to develop as the work becomes clearer. This is likely to develop into a programme of works where real efficiencies can be delivered

I hope these are clear and of course would welcome clarifying or expanding on comments made

Regards

Tony Scutt

Highways Customer Director,
Costain



Department
for Transport

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31 October 2016

Dear Peter Antolik,

DfT RIS Client team interim response to ORR's (Highways Monitor) Monitoring Highways England's network investment consultation

Thank you for the opportunity to respond to this consultation. This is an interim response as we would like the opportunity to comment on and discuss the responses and findings from the consultation. We would also value a further discussion on how the proposed changes might affect the Highways Monitor's future role (including any funding requirements – we would expect the proposed changes to be funded from within the existing funding settlement) and ensuring that the road user is at the heart of Highways Monitor's thinking.

We welcome and support Highways Monitor's proposal to set out details of its approach to monitoring and to consult stakeholders on these proposals. From our perspective your approach is sensible. We note that it builds on what you have done so far, with the useful addition of assessment of management capability and in-depth reviews. As part of these additional activities, we would like to understand further what assurance activities the Highways Monitor would be undertaking to make sure it is continuing to provide the right level of assurance.

We support the proposal to monitor performance against a clear baseline of schedule, scope and cost information. We also support the proposal to look forward as well as backwards. It is important to identify emerging trends and identify risks to delivery of the network investment portfolio in the future as well as understanding how network investment has been delivered. Supporting this with in-depth reviews at project and programme level will allow Highways Monitor to better understand and assess risks at portfolio level.

Monitoring arrangements do, of course need to be proportionate. We welcome Highways Monitor's recognition and assurance of this and that you will be flexible in your approach to respond to emerging issues, and Highways England's capability and performance. Our expectation is that the Highways Monitor's approach will adapt as the road reform model becomes fully established and your understanding of Highways England's Delivery Plan and operational activities matures. Therefore, we do not see the approach to monitoring in this consultation document setting a precedent in the long term. Fundamentally, we expect Highways Monitor to provide its assessment to enable Highways England and its management to be held to account by the Secretary of State as set out in the Memorandum of Understanding. We will want to discuss and review this with the Highways Monitor on an annual basis.

Annex A (attached) provides further detailed comments on the specific consultation questions. We continue to work positively with Highways Monitor to ensure it conducts its monitoring responsibilities in a way which provides appropriate levels of assurance to its stakeholders and seeks to minimise the administrative burden on Highways England where possible.

Yours Sincerely,

Jon Griffiths

Annex A

Our comments on the specific consultation questions asked are below.

Question 1: Do you understand and agree with the scope of our role with respect to monitoring Highways England's network investment, as set out in this consultation?

- We would like to explore this question further with the Highways Monitor, particularly in the light of the overall governance, assurance framework structure and its future role. We expect the Highways Monitor's role will continue to evolve over time and support a flexible approach to target key areas where it's justified. However, the changes shouldn't set a precedent for the future.
- Highways Monitor's proportionate approach with respect to data provision is welcomed. The Department would like to work with the Highways Monitor to understand what other sources of assurance, evidence and analysis are available with respect to Highways England's capability in order to avoid duplication and to give additional depth to findings.
- We would like to understand further the reporting and escalation structure for the outputs from the proposed management capability and in-depth reviews.

Questions 2: Does our proposed approach for monitoring Highways England's network investment delivery fulfil our role in a way which meets your requirements as a stakeholder?

- We welcome Highways Monitor's proactive approach in identifying, assessing (analysing) and taking early action and are keen to engage to identify ways in which the Department and Highways England can make early use of the outputs and areas where the Highways Monitor could provide additional assurance or advice to the Department.
- We are supportive of the in-depth reviews proposed which we suggest should be selected on a risk based approach. This should allow the Highways Monitor to focus and target monitoring on those activities that are most important and at highest risk of non-compliance.
- The experience of the road user is important to the Department. We would welcome the Highways Monitor's thoughts on how users can be placed at the heart of its thinking and how it plans to work with Transport Focus. We would also like to discuss how the Highways Monitor's role might benefit from increased focus on benefits management and Highways England's organisational learning (continuous improvement).

Questions 3: Are there aspects of our monitoring of Highways England's network investment delivery that you think require more or less emphasis?

- We would like to consider further with the Highways Monitor how the Department may advise or request the Highways Monitor to help with reviews or investigations in key risk areas and where weaknesses have been identified from a process/assurance view point rather than operational perspective. Where the request is made by DfT and agreed with the Highways Monitor, the Department would look to ensure the work is funded adequately.
- We would like to further understand how the Highways Monitor will ensure that they give appropriate weight to the complexity of delivery, particularly through challenging Highways England's approach to risks and mitigating actions.
- We would welcome further understanding of how the Highways Monitor will test the relevance of data requested from Highways England to the questions the Highways Monitor is seeking to answer to ensure proportionality.
- Supply chain capacity and capability remain a key risk to delivery of the RIS. The Department would particularly like to further understand Highways Monitor's approach to assessing the maturity of Highways England's own capability in managing this risk.