

Office of Road and Rail – Monitoring Highways England

Consultation Response of Transport for Greater Manchester

Overview of the ORR Role

1. Because the government is now providing Highways England with greater decision-making powers and increased, longer-term funding to manage the SRN, it requires independent assurance about the levels of performance and efficiency that Highways England is delivering.
2. Responsibility for providing this assurance has been placed with what was the Office of Rail Regulation. In light of the new responsibilities for monitoring highways the ORR has changed its name to “Office of Rail and Road” with effect from 1 April 2015. (Note that the legal name will remain the Office of Rail Regulation pending the passing of secondary legislation, expected later this year and the ORR will continue to use this name in all documents, decisions and matters having legal effects or consequences until such time.)
3. The ORR's independent monitoring is intended to provide government with confidence that greater autonomy for Highways England will be accompanied by a consistent pressure for better performance and greater efficiency. ORR will use its expertise and experience in the assessment of financial and operational performance to assess whether the company is delivering its requirements efficiently for stakeholders. It will also have a role in enforcing compliance with the RIS and the licence and providing advice to the Secretary of State on the development of the next RIS.
4. At a high level the ORR role has four main aspects:
 - to monitor how well Highways England is delivering against the Performance Specification, Investment Plan and aspects of its licence, to publically report our findings and to advise the Secretary of State;
 - if there are problems with delivery, to require improvement and potentially levy a fine (together, ‘enforcement’);
 - to advise the Secretary of State on the development of the next Road Investment Strategy (RIS) including advice on deliverable efficiencies; and
 - to advise the Secretary of State on any other relevant issues as requested.

5. The role of the ORR is defined at a high level in legislation and ORR will ensure it and DfT are clear about the detailed scope of both of their roles so as to avoid duplication.

The Consultation

6. The current consultation document¹ focuses mainly on the first of the ORR roles - that of monitoring how well HE is delivering, reporting of findings, and advising the Secretary of State. This is because ORR needs to give Highways England as much notice as possible of their monitoring requirements. In relation to the second role - intervention and enforcement policy - ORR intend to carry out a separate consultation in summer 2015.
7. The current consultation briefly covers the third role of advising on the next RIS but more details on this will be published later in 2015. The fourth role – responding to requests from the Secretary of State – will depend on specific requirements and, if relevant, additional funding.
8. The consultation raises six specific questions. Our responses to these questions are set out below.

Question 1: Are you clear what our role will involve? Are there aspects of our role which you would like more clarity about?

9. The ORR's new role is defined in the Infrastructure Act. It requires ORR to carry out activities to monitor how Highways England is exercising its functions. The monitoring activities are not detailed in the primary legislation but it says that they may include monitoring the company's delivery of the RIS and advising on a future RIS. The Act gives ORR the power to require Highways England to provide the information which it needs to carry out its role. It also gives ORR the power to carry out enforcement action where Highways England has contravened or is contravening compliance with the RIS or compliance with its licence.

¹ http://orr.gov.uk/__data/assets/pdf_file/0015/17610/monitoring-highways-england-first-consultation.pdf

10. Further details of the scope of the ORR's role are set out in a Memorandum of Understanding (MoU) between DfT and ORR. This specifies that the role also includes:
 - Benchmarking of the company's performance against comparable companies in other countries or other sectors;
 - Assessing the company's continued compliance with the assurance arrangements in sections 7.2 to 7.8 of the framework document, and in the delegations letter;
 - Assessing whether a proposed future RIS is deliverable and challenging;
 - Providing advice on further topics, linked to our duties, as may be requested by the Secretary of State;
 - Carrying out further investigations which ORR believe to be justified; and
 - Assuring its own work.
11. We support the use the ORR as the monitor of HE activities, including it functioning as an arbiter.
12. We note that the ORRs road and rail functions will operate independently of each other and that rail and highways roles are not structured to make trade-offs between investments in different modes (those decisions are for DfT). However, it is important that road and rail are not considered totally in isolation from each other.
13. Transport for Greater Manchester has played a key role in developing Transport for the North. In response to Sir David Higgins endorsement of the One North work and his call for a plan for the future, the Prime Minister and Chancellor for the Exchequer called for an interim report on a transport strategy for the region. This was published in March 2015. The report confirms a shared vision between Government and the Northern partners for the scale of economic transformation that we are seeking through the establishment of a Northern Powerhouse. It then sets out the key components of the transport strategy needed to underpin this transformation.
14. The Transport for the North strategy is multi-modal in nature. It identifies a number of committed investments, for example, through the current Roads Investment Strategy (RIS1), HS2 and Northern Hub, and seeks to

build on these commitments and identify a series of future proposals to be progressed jointly by TfN and Government, across road and rail.

15. We would welcome reassurance that the ORR is comfortable that its role as currently defined enables it to adequately consider inter-regional multi-modal initiatives such as the TfN strategy and will give appropriate weight to the aims and objectives of these during the course of its activities.
16. We note that the funding of the ORR's role is secured (from DfT) only for the next three years. The greater number of the RP1 schemes and studies will not be delivered (indeed many in Greater Manchester will not be started) in the next three years. We would wish to see the longer term funding of the ORR (at least through the whole of RP1) secured at the earliest opportunity.
17. With regard to escalation and enforcement, the process to be followed by ORR in the event of concerns being raised regarding HE's performance is quite clearly set out in the consultation. The process by which Local Authorities and others will be able to raise any concerns (beyond the regular engagement sessions) is not set out and requires clarification. There is also no indication of timeframes for resolution of these concerns. While we understand that circumstances can vary depending on the issue, the significance of the SRN to the Greater Manchester economy is such that any concerns raised should be resolved as quickly as possible – especially given that there may already have been a time lag between the issue arising, it being passed to/identified by ORR and it being raised with HE. It would be helpful if ORR could expand on the process and timescales for handling and resolving issues, perhaps through supplementary guidance.
18. We note the role which will be played by Passenger Focus in the monitoring process. Transport for Greater Manchester has worked closely with Passenger Focus on rail, bus and tram research over many years. We would welcome the continuation of this cooperation in respect of its roads remit, and we would encourage a similar model of working with other LHAs/LTAs.
19. An aspect of the ORR role which is not clear from the consultation is the extent to which it will be able to influence the HE programme if feedback from its consultation sessions or through Passenger Focus indicates that additions or amendments are necessary. It would be helpful to clarify this.

Question 2: Do you agree with our strategic objective for our highways monitoring role?

20. The ORR strategic objective is:

“Secure improved performance, including efficiency, safety and sustainability, from the strategic road network, for the benefit of road users and the public, through proportionate, risk-based monitoring, increased transparency, enforcement and robust advice on future performance requirements”

21. The Transport for the North Strategy notes that roads form the backbone of the national economy and that a faster, less congested strategic road network is crucial to delivering the Northern Powerhouse.

22. We would suggest that supporting the growth of the economy should be at the forefront of the ORR’s strategic objective, albeit delivered through improved performance and efficiency, and with due consideration of safety and sustainability.

Question 3: Are there specific ways you would like us to engage with you beyond the industry forums already referred to in this document?

23. To successfully carry out its role, ORR will seek to improve its understanding of the roads sector and Highways England. To develop this understanding, it is implementing a programme of stakeholder engagement including discussions with HE and DfT and Passenger Focus. It has also commenced a series of wider discussions with road users and stakeholders, including arranging a stakeholder event which will be attended by a wide range of interested parties.

24. Stakeholder engagement will continue to form an integral part of the monitoring regime. ORR will continue to seek views through formal consultation and regular communication, including face-to-face meetings. It has identified a number of industry forums which it will seek to engage with including the Strategic Road Reform Expert Group (chaired by DfT) and Principals Group, Asset Support Group (chaired by Highways England).

25. Transport for Greater Manchester is a member of the Passenger Transport Executive Group (PTEG). PTEG brings together and promotes the interests of the six strategic transport bodies serving the largest city regions outside London. It also forms a wider professional network for Britain's largest

urban transport authorities. We suggest that ORR should engage with PTEG.

26. It is not clear from the consultation document whether the formal consultation referred to includes direct contact with LHAs and LEPs on a regular basis. Clarification of this would be welcome.
27. With the full support of the Department for Transport, Transport for Greater Manchester has entered into a Memorandum of Understanding (MoU) with Highways England. The aim of this MoU is to bring together the operations of the Strategic Road Network and those of the Key Route Network in Greater Manchester. The latter consists of 650km of strategically important local roads which from 1st April 2015 are managed by Transport for Greater Manchester. The MoU aligns KRN management activities with Highways England's management of the SRN to provide a more joined-up approach to facilitate the most efficient utilisation and management of the highway network serving GM; and provides a partnership approach to the development of investment priorities across the KRN and TRN to maximise strategic fit with GM and national economic growth priorities. This includes the establishment of a joint GM Highways Strategy Board, which will have the remit to identify scope for shared capital programme priorities across the SRN and KRN; establish a longer-term vision for the role of the SRN and KRN (the GM Highways Vision) in supporting the GM and One North transport and growth strategies; steer the development of, and review progress against, a shared Partnership Plan; and identify opportunities to improve efficiency in delivering highway services and capital programmes by sharing best practice and seeking regulatory freedoms where appropriate.
28. Transport for the North will seek to agree a similar MoU with HE focussed on ensuring full complementarity across operations and future strategy.
29. We would welcome early dialogue on how the role of ORR will interface with such MoU agreements in order to safeguard against any policy conflicts.
30. The problems and issues faced by the HE and Local Authorities will vary across England and ORR will need to ensure that HE is delivering across the SRN as a whole and particularly on a regional basis. The Northern Powerhouse and development of Transport for the North to support it is a good example of the way in which regional and interregional connectivity is coming to the fore. In an HE context this increases the need for working

across its current Area boundaries. ORR should ensure that the organisation of HE does not impede its ability to deliver and maintain an inter-regional network.

31. The Strategic Road Network fulfils a critical role in supporting local economies and - particularly in the major conurbations - it operates as an integral part of the highway network as a whole, which also consists of local roads. In Greater Manchester, Transport for Greater Manchester has recently taken on the responsibility for overseeing the operation of 600km of major roads forming the Key Route Network. The intention is that this will be operated as part of a network also including the SRN. There will be a need for the ORR to engage with Transport for Greater Manchester and the LEPs, LPA, LTA and LHAs on a regular basis to ensure that the relationship between these bodies and the HE functioning successfully and that the potential for cooperation between them is being realised.

Question 4: Have we identified the key areas that require monitoring? Are there particular areas of Highways England's performance and efficiency which you consider require specific focus or an alternative monitoring approach?

32. The consultation document identifies key areas for monitoring as follows:
 - Safety - KSI on the SRN, with a target of a 40% reduction by the end of 2020 from the 2005-09 baseline;
 - User Satisfaction – Percentage of Nation Road Users Satisfaction survey response very or fairly satisfied (with a target of 90% by end-March 17);
 - Smoothing Flow – The percentage of SRN available to traffic; targets are set for lane availability (over 97%) and the percentage of incidents cleared within one hour (85%);
 - Environment – The number of noise important areas mitigated (1150 in RP1) and delivery of a biodiversity action plan;
 - Sustainable travel – Provision of new and upgraded crossings for pedestrians, cyclists and other vulnerable road users; no target is set;
 - Economic Growth – Measured by average delay – time lost per vehicle mile (no target set);
 - Efficiency – Cost savings on capital expenditure (£1.212bn over RP1) and progress of work relative to the forecasts in the delivery plan and annual updates to that plan; target is to meet or exceed the forecasts; and
 - Network Condition – The percentage of pavement asset that does not require further investigation (target of 95%+).

33. In addition to the above, and with regard to wider licence requirements, the ORR will consider how HE responds to and investigates stakeholder concerns relating to:
- Cooperation with other persons or organisations for the purpose of coordination, day-to-day operations and long term planning;
 - Minimising the environmental impacts of operating, maintaining and improving its network and seeking to enhance the quality of the surrounding environment; and
 - Conform to the principles of sustainable development.
34. All data should be made available on an “Open Data” basis to permit Transport for Greater Manchester and other LTA/LHA/LPA and the wider public to access and analyse HE data, both to provide reassurance that the SRN is operating as required and to inform the development of local transport and planning strategies.
35. While the consultation document states that ORRs role with respect to local roads is limited to monitoring Highways England’s management of integration it is important that this ‘integration’ extends to HE working with LHA/LTA to establish commonality in indicators where possible and agree the locations, methods, and timing of data collection, so that the public and elected representatives are better able to understand the operation of the highway network as a whole and have confidence in the outputs.
36. Reporting should be at as disaggregate a level as possible and focus on peak period conditions. However, we recognise the need to keep reporting within manageable bounds. If the ORR considers that “high level” reporting only is possible, the underlying datasets should be made available at a sufficiently disaggregate level to allow LHAs/LTAs to undertake more local analysis if required.
37. There should be a recognition that the reporting for motorways and trunk roads may need to be different. Greater Manchester has a number of sections of all-purpose trunk road that form an integral part of the local network and the operation of which directly impacts on local residents. They and their elected representatives and the LHAs responsible for management of the adjacent road network, will wish to understand how

those roads are impacting on their lives and local centres, and where any particular problem areas lie.

38. There will be a need to ensure that National Road Users Satisfaction surveys have a sufficiently large sample size to ensure that data for individual regions can be analysed within the bounds of statistical reliability.
39. For incidents, it would be helpful to understand the nature of incidents, in particular for those not cleared within one hour.
40. Environmental indicators do not at present directly take account of air quality or greenhouse gas emissions. Air quality is a significant consideration in the operation of the SRN in Greater Manchester and was a major reason for the exclusion of all-lane running from the M60 J8 to 18 Smart Motorway Scheme. Our MoU with HE includes investigation and development of measures to address the poor air quality associated with specific highway corridors in GM, and the constraints this imposes directly and indirectly on economic growth. We note the reference in the RIS1 Performance Specification to the requirement for HE to develop metrics to reflect its environmental performance, including air quality and greenhouse gases. While this work is in progress we understand the initial focus will be on noise and biodiversity. However, we would wish ORR to monitor progress towards identifying an appropriate metrics in these areas, with a view to introducing suitable KPIs as soon as possible.
41. On biodiversity, the KPI appears to target improvements in biodiversity but HE is being asked to report on how it has delivered reductions in “net biodiversity loss” rather than how it has delivered improvements.
42. We understand why there is no target for sustainable measures. However, the ORR should ensure that the views of pedestrians, cyclists, equestrians etc are adequately reflected in the engagement process (e.g. through contact with local authorities and interest groups) and satisfaction surveys, and we would wish to see the ORR take a lead in questioning and pursuing HE to address any deficiencies identified (during these surveys and from engagement with LHA/LTA) in the provision for sustainable modes.
43. The use of average delay (time lost per vehicle mile) as an economic indicator may be appropriate. However, it would be beneficial to also include an indicator relating to the reliability of journey times. It should be recognised that some sections of the SRN may be more important than

others, for example, network serving major conurbations or national or regional transport hubs such as Manchester Airport. Identification of problems on links serving key assets/generators may need to be reflected in the prioritisation of schemes in future RIS/RP. Again, this suggests that data will need to be presented at a relatively disaggregate level. It may also be helpful to consider how well HE is serving the movement of freight across its network- possibly through simple volumetric data on goods vehicle movements or some consideration of key freight corridors such as the M62.

44. Consideration of efficiency should extend to planned maintenance works – particularly where these include closures – and monitoring to ensure such works are completed on time and in a satisfactory fashion (e.g. with appropriate traffic management).
45. We note and welcome the role of ORR in ensuring that HE seeks to work in cooperation with other organisations for the purpose of coordinating day-to-day operations and long term planning. This is a key part of the Transport for Greater Manchester-HE MoU. We would expect ORR to review how this requirement is being delivered and to consult with LHA/LTA an annual basis to ensure that the cooperation is delivering tangible benefits.
46. The final stage of the monitoring process could be “enforcement, through improvement notices and fines”. It would be helpful to understand the level of fines which might be levied and how it is anticipated that HE would fund any fines. We would be concerned if the fines were to be paid at the expense of progressing works. It would also be helpful to understand how any income from fines would be used.

Question 5: We have set out our initial plans for reporting on Highways England’s performance and efficiency. Is there further information or analysis that you think we should produce?

47. HE has a key role to play in the areas of planning and regeneration and in informing/cooperating with LPA/LTA on the development of transport and development strategies. In Greater Manchester the HE will be closely involved in the development of our new Transport Strategy to 2040 and a new Spatial Framework and DPD.

48. It would be helpful if the ORR could include in its monitoring an appreciation of how well the HE is working as a collaborative partner with LHA/LPA/LTA on For example:
- How well does HE contribute/respond to the development and implementation of local transport and economic strategies?
 - How does HE perform with respect to responses to planning applications and input to and support of local planning frameworks?
49. Related to the above, we consider that there is a need for HE to consider its longer term national strategy and aspirations/objectives over similar timeframes to those adopted by Transport for Greater Manchester and others in regional and local planning e.g. to 2040 or beyond. We would hope ORR would consider how well HE addresses the need for long term planning and if necessary feeds back to HE and DfT any changes to approaches required to meet this need.
50. It is unclear how ORR will act on any lessons learnt through its monitoring or feedback information to LHAs so that they may benefit through, for example, any efficiencies identified. Clarification of this would be welcomed.
51. In Greater Manchester the SRN is regarded as a key part of the overall transport “offer”, operating alongside local highways, public transport and sustainable modes to meet our objectives. In this regard, it would be helpful to put in place measurements of the performance of the SRN which relate to the total movement of people and goods and its role in supporting business-to-business movement (as one part of the wider transport network). We recognise that this may not be possible at the moment but we would welcome the opportunity to work with the ORR and HE to establish whether suitable metrics can be identified which address this ambition.

Question 6: Is there specific information relating to Highways England which is not currently in the public domain which you think should be prioritised for publication?

52. It is important that local bodies understand the lines of responsibility within the HE locally and know who the responsible officers are within HE for key areas such as operational management (including planning of events), programme management, development control and monitoring. It would be helpful if each HE Area could identify a set of contacts across each of the key areas and ensure that these are available on line.