

Freight Transport Association's response to the ORR consultation Monitoring Highways England



June 2015

FTA is one of the UK's largest trade associations and represents over 14,000 companies relying on or providing the transport of freight both domestically and internationally, to or from the UK. Our members include hauliers, freight forwarders, rail and air freight operators, through to customers – producers, manufacturers, wholesalers and retailers. They cover all modes of transport – road, rail, air and sea. FTA members operate over 200,000 commercial goods vehicles on the roads in the UK; which is approximately half of the UK fleet of goods vehicles. FTA members also consign around 90 per cent of goods moved by rail and around 70 per cent of goods moved by air and sea.

Introduction

Efficient and effective infrastructure networks are essential to the functioning of the UK economy. Congestion is a drag on businesses and the UK's international competitiveness is vital to securing economic growth and job creation. The Association is therefore grateful for the opportunity to respond to the ORR first consultation document on Monitoring Highways England.

FTA is supportive of Roads Reform proposals as our members looked for greater security of funding for Roads but also feel road users needed a "better deal" from Government for the amount of money they contribute. We therefore support the ORR's role in Monitoring Highways England.

However it is important to remember that roads users are not always the driver and may have different concerns about the operation of the network. With freight movement an essential to economic performance, ensuring the efficient movement of goods is essential and a monitoring system needs to pick that up.

Response to the ORR's first consultation document "Monitoring Highways England"

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

ORR's Role

It is clear that the role will be as a monitor and not as with the rail sector's one of a regulator.

The consultation details the scope of the role as set out in a Memorandum of Understanding between the DfT and the ORR. It is clear that there are requirements of ORR to assess Highways England's compliance with assurances set out in sections 7.2 to 7.8 of the DfT Framework document. The requirement of the company is to invest Government money wisely and fully account to Government on the way that money is spent.

There is also a requirement to benchmark the company's performance but is not clear from sections of the consultation on how that will be done. In the detail at 3.10 e) it refers to

opportunities to learn from best practice on both sectors. This would appear to refer to the two sectors that ORR has involvement in, road and rail. While that involvement now is recognisable it does not seem clear what options could be used from both sectors for benchmarking with rail access being a very controlled environment, set against road access being allowable for motorists and commercial vehicle operations with no real options to control that access.

While the Association appreciates that some mechanism for benchmarking the sectors could evolve over time it would seem sensible to give some indication on how this will be achieved in the current operating conditions. It may be that there are opportunities to benchmark against other national road operators and in some areas to possibly compare other local road authorities.

The performance specification (Table 3.2) refers to encouraging economic growth, the example given is of information to be monitored, setting a KPI of time lost per vehicle mile. The Association is concerned that no target has yet been set for this process and we also have concerns on how the process will demonstrate that the company is being monitored on journey reliability. It is lack of reliability which imposes financial burdens upon the freight and logistics sector and it is therefore vital that the method of monitoring is transparent and fully understood by the industry as well as the monitoring authority.

Furthermore, there does not appear to be an indication as to how much of the network will be monitored, will it just be motorways for example? And also which parts of the network in operation will be monitored. Will it include the areas which are undergoing road works? - Which seem inevitably, to our members, to be the most vulnerable in reliability terms.

Going forward we have a commitment from Government to spend more on road infrastructure, and with that will come an increase in roadworks and therefore we believe that it is important to have a system that will reflect the effects that such works have on the road user, including overnight operations which rely on a network which is normally free from congestion. It should also be borne in mind that the economic benefit of a lorry carrying goods is not the same as that of a car – thus delays to freight carry a higher economic cost. Despite this however, most roadworks are scheduled to take place at night when the network is predominantly used by freight vehicles.

There is a comment made in 3.12 c) which refers to the SRN being largely free to users at the point of use. Freedom access use should not be confused with free use of the network. Motorists pay for the use of the network through Vehicle Excise Duty and Fuel Taxation and therefore can expect to have use of a reliable road system that they have paid for this way.

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

ORR's Objectives

The Association agrees that there is a need for a monitoring role that improves performance and value for money for the strategic road network.

We also believe that it is important to take into account views of road users in the broadest sense to provide an appreciation of all who have a need to use the SRN.

Freight and Logistics operators may not have the same set of performance requirements as the ordinary motorist or even the drivers of commercial vehicles. The interest in the SRN of these operators is to find a strategic roads network which provides joined up "routes to trade". They are therefore just as much a stakeholder in the SRN as any motorist, and it could be argued would face greater cost if those routes were not appropriate for their purpose or did not perform well.

The Monitor must therefore seek to listen to the industry's concerns about the network and provide transparent, accountable, proportionate and consistent analysis of Highways England.

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

FTA is keen to provide a forum through which ORR can obtain the views of transport operators.

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?

FTA members have a specific interest in the extent to which road works and the associated lane closures adhere to the information as originally provided. Many operators complain that lane closures which are due to take effect from 8pm actually start coming into effect much earlier, thus undermining the effectiveness of the re-scheduling that operators have already done. This would of course require monitoring by subcontractors as well as Highways England itself. In addition, FTA would welcome monitoring of the extent to which Highways England liaises with neighbouring highways authorities to avoid "diversionary routes" also being subject to works/lane closures at the same time.

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?

ORR's Monitoring

The Association has supported the Government move to introduce greater stability of funding for the SRN and a move away from the annual funding cycle which has had negative effect on roads provision. We agree therefore, that in that move it is important to establish clear long term strategies for the new company and that monitoring is important to determine how the new company is performing and developing England's SRN.

FTA has had a Memorandum of Understanding with the Highways Agency for many years looking to work with the organisation to improve the options for freight and logistics operators. With over 14000 members most of whom will rely on the SRN for the efficient operation of their businesses, we feel that the Association could provide a vital input into the monitoring work by using our membership to input into the process that ORR will need to carry out.

We believe that the monitoring process must be able to recognise that there are differences in what is deemed to be a successful journey. For example, the lorry driver might be happy with the fact that a journey has been completed, but if a transport manager has had to put two vehicles and two drivers on a route because congestion means his is unable to meet his customers' demands with one journey, then that must be considered a failure. The monitoring system needs to be able to pick up such differences in what is considered to be a good or bad experience with the network operation and also the capacity of the network.

FTA also believes that our engagement with our members will help to establish the sort of KPI's that are of value to the freight industry. During our discussions on Roads Reform so far we have identified a number of areas which the industry believes should be at the core of the ORR monitoring process such as:

- Improved journey reliability

- Consistent approach to managing/maintaining the network
- Improved network availability at night
- First class traffic information system
- Establishment of clear, well-signed diversionary routes for freight
- Improved availability of parking/rest facilities for commercial vehicles
- Declaration of new build, enhancement and maintenance programme and timetable

FTA would urge ORR to ensure that its KPIs (or other performance measures) can effectively measure performance in each of these areas.

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