



ORR's response to the Consultation on Proposals for the Creation of a Major Road Network

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Executive summary

This document sets out the Office of Rail and Road's response to the Department for Transport's consultation on proposals for the creation of a Major Road Network (MRN).

The consultation outlines the Government's proposals for this network and seeks views on its core principles, the definition of the network, investment planning, and eligibility and investment assessment.

We welcome measures that seek to deliver a more joined-up approach to the planning and delivery of investment on England's strategic and local roads, and which seek to provide longer-term stability of funding. We therefore welcome this consultation, and the consideration given to strengthening links between the Strategic Road Network (SRN) and other major roads in England.

The consultation envisages a role for Highways England in supporting local, regional and national bodies with the MRN programme. It will be important for any role that Highways England has in relation to the MRN to be clearly defined, and appropriately funded – and for any implications for our role as monitor of Highways England's performance and stewardship of the SRN to be clearly set out.

1. Introduction

Office of Rail and Road

- 1.1 The Office of Rail and Road (ORR) is the independent rail regulator and the monitor of Highways England's stewardship of the Strategic Road Network in England, comprising the motorways and main 'A' roads.
- 1.2 As Highways Monitor we ensure that Highways England, the government-owned company that develops and manages the SRN, delivers the Investment Plan and the Performance Specification set by government in the Road Investment Strategy (RIS), and complies with its licence.
- 1.3 We also have a role in the development of future road investment strategies, and are already involved in work to develop the second RIS which will cover the period from 2020 to 2025 (RIS2). The conditions in Highways England's licence envisage a role for ORR to advise the Secretary of State on the level of challenge and deliverability of the Draft RIS and the Draft Strategic Business Plan, including with regard to the level of efficiency proposed by Highways England.

2. Overview of our response

- 2.1 We welcome measures that seek to deliver a more joined-up approach to the planning and delivery of investment on England's strategic and local roads, and which seek to provide longer-term stability of funding. We therefore welcome this consultation, and the consideration given to strengthening links between the Strategic Road Network, and other major roads in England.
- 2.2 Increased capacity and improved asset performance on the MRN will help support the resilience of the SRN and the wider road network into the future. We believe it will be particularly important that RIS and MRN programmes of work are carefully optimised and aligned to ensure that the benefits of schemes are integrated without compromising the delivery of either programme, for example from clashes of diversion routes.
- 2.3 The MRN consultation envisages a role for Highways England in supporting local, regional and national bodies with the MRN programme – whilst also recognising that delivery of the RIS is Highways England's primary focus. It will be important for Highways England's role in relation to the MRN to be clearly defined and for any responsibilities it takes on to be appropriately funded and resourced – and also, for any implications for our role as Highways England's monitor to be clearly set out.
- 2.4 We understand that there is potential for MRN investments to be made on the SRN and recognise that the RIS allows for investment off the SRN. As the body that monitors Highways England's delivery of the Road Investment Strategy, it will be important for there to be clarity around what funds are directed where, and for any resulting expectations for our monitoring role to be clearly set out.
- 2.5 The consultation proposes to allow for dedicated funding from the National Roads Fund (NRF) to be used to improve roads within the MRN network. The consultation is silent on the proportion of the NRF that would be dedicated to the MRN. We believe it would be beneficial for the distribution of NRF funding between the SRN and MRN to be set out at the earliest opportunity in order to allow the bodies responsible for the MRN to plan in the best possible way. For example, this could be timetabled to coincide with the Department's existing timetable for setting out RIS2 investment, as both programmes of investment will be funded from the NRF.
- 2.6 It is intended that creating a pipeline of MRN investments will, over time, raise the standard and performance of the network. The consultation states that Regional Evidence Bases (REBs) will include an assessment of the condition and performance of the existing network. Given the different ways in which performance and condition can be measured by local highways authorities, it is important that the guidance that

will be issued on assembling REBs achieves consistency. Consistency in this will also provide opportunities for benchmarking performance of the MRN against other networks, including the SRN. We would also welcome any consideration that can be given to collecting scheme and cost data in a format that supports benchmarking with the SRN.

- 2.7 It will be important for delivery of the MRN investment programme to receive adequate oversight. It is also important that the investment assessment criteria outlined in the consultation can be applied to both major renewals and enhancements so that the right balance between the two types of scheme can be achieved. This will ensure funding is not exclusively used to promote enhancements over major renewals. For example, whilst a major renewal scheme may avoid congestion from closing links or implementing weight restrictions, it may not support housing delivery.

3. Response to specific questions raised in the consultation

Question 1 *Do you agree with the proposed core principles for the MRN outlined in this document?*

3.1 We agree with the core principles as outlined in the consultation and in particular the objective of strengthening links with the SRN. We welcome the recognition within the consultation that in developing the MRN, its links with the SRN will need to be recognized, and that the two programmes of investment (SRN and MRN) should be complementary. This is important for Highways England's role as steward of the SRN and for our role in overseeing Highways England's delivery of the RIS.

Question 2 *To what extent do you agree or disagree with the quantitative criteria outlined and their proposed application?*

No specific comment.

Question 3 *To what extent do you agree or disagree with the qualitative criteria outlined and their application?*

No specific comment.

Question 4 *Have both the quantitative and qualitative criteria proposed in the consultation document identified all sections of road you feel should be included in the MRN?*

3.2 We support using quantitative and qualitative measures that best reflect the importance of the relevant road to its users and stakeholders. We would want these criteria to recognise the value of integration with the SRN, particularly from the perspective of resilience.

Question 5 *Have the quantitative or qualitative criteria proposed in the consultation identified sections of road you feel should not be included in the MRN?*

No specific comment.

Question 6 *Do you agree with the proposal for how the MRN should be reviewed in future years?*

3.3 The consultation proposes to review the MRN every five years to coincide with the existing RIS timetable. We agree that any review of the MRN should be harmonised with the existing five year RIS cycle.

- 3.4 It also proposes to update the MRN Investment Programme and the REBs every two years to allow for evidence to be refreshed and new schemes to enter the programme. We would welcome further clarification on how this two year review process would work alongside the existing five year RIS cycle.
- 3.5 It is also envisaged that Highways England could provide support to local authorities, Sub-national Transport Bodies (STBs) and other regional groups in the development of REBs. We think it will be important for the scope of this role to be clearly defined, so that Highways England can plan to provide this support without any adverse implications for its delivery of the RIS or its licence conditions.

Question 7 *To what extent do you agree or disagree with the roles outlined for local, regional and national bodies?*

- 3.6 We would encourage transparency in the decision making process so that local authorities understand the basis on which schemes should be proposed, and understand the basis on which they are included or excluded from regional packages and the Investment Programme.

Question 8 *What additional responsibilities, if any, should be included? Please state at which level these roles should be allocated.*

No specific comment.

Question 9 *Do you agree with our proposals to agree regional groupings to support the investment planning of the MRN in areas where no Sub-national Transport Bodies (STBs) exist?*

- 3.7 The consultation proposes that STBs or regional groups would be responsible for developing REBs. Where these bodies have yet to be formed, local authorities and local enterprise partnerships should, in consultation with the Department for Transport (DfT), form regional groupings to manage this work, ideally using existing mechanisms (eg in London it is proposed that TfL would take on this role). Given the important role envisaged for these bodies in assembling the REBs required for determining investment priorities, we believe that it will be important to ensure that they have the necessary capability and resources to fulfil the roles expected of them, and that DfT has oversight of the funding distribution across regions.

Question 10 *Are there any other factors, or evidence, that should be included within the scope of the Regional Evidence Bases?*

- 3.8 The consultation states that REBs will include an assessment of the condition and performance of the existing network. Given the different ways in which performance

and condition could be measured by local highways authorities, it is important that the guidance issued in assembling REBs achieves consistency. Consistency in how this is measured may also provide opportunities for benchmarking MRN performance against other networks, including the SRN.

- 3.9 Any measure of performance of the network should also recognise the different types and design of roads and assets that form the MRN, and the different types of traffic and users on it.

Question 11 *Do you agree with the role that has been outlined for Highways England?*

- 3.10 The MRN consultation envisages a role for Highways England in supporting local, regional and national bodies with the MRN programme – whilst also recognising that delivery of the RIS is Highways England’s primary focus.
- 3.11 We recognise the importance of ensuring that the two programmes of investment are aligned, and Highways England will be an important partner in this. However it will be important for Highways England’s role in relation to the MRN to be clearly defined and for any responsibilities it takes on to be appropriately funded and resourced – and also, for any implications for our role as Highways England’s monitor to be clearly set out.
- 3.12 If Highways England is given responsibilities in relation to supporting the MRN, these will need to be formalised, and may, for example, require changes to its licence. It will also be important to determine whether any role for Highways England is intended to be performance measured – and whether monitoring its performance would form part of our role as Highways Monitor.
- 3.13 If Highways England does have a role in advising on the MRN investment pipeline, some consideration may also need to be given to safeguarding against any potential conflicts of interest that could arise with its role delivering the RIS investment programme.

Question 12 *Do you agree with the cost thresholds outlined?*

- 3.14 We would welcome clarity on whether the outlined cost thresholds include consideration for whole life costing in order to ensure that scheme proposals and decisions relating to enhancements or renewals are efficient and sustainable.
- 3.15 The scheme development costs to support schemes that fall within the cost thresholds are likely to be substantial and may present a challenge to less mature STBs or to LAs/LEPs with fewer capabilities or resources. It will be important to ensure that schemes proceed where there is greatest need, rather than where STBs/LAs/LEPs have the greatest capabilities or resources.

3.16 The consultation makes it clear that day-to-day maintenance of the MRN will remain the responsibility of individual highways authorities. However we believe it will be necessary to clarify roles for ongoing inspection and maintenance responsibility for any assets constructed, enhanced or renewed on the SRN using MRN funding. This will remove any ambiguity for the responsibility of Highways England or a local highways authority at the intersections of the SRN and MRN.

Question 13 *Do you agree with the eligibility criteria outlined?*

3.17 We agree with the types of scheme eligible for funding. The proposals anticipate that for the most part, investment on the MRN will be funded primarily through the MRN programme, though it is possible that the MRN fund may invest in the SRN in cases where there is a strong sub-regional benefit – just as the RIS can allow for investment in the MRN or wider local road network.

3.18 Some consideration may need to be given to how decisions are made when there is scope for one network's funding to be allocated to improvements on another. For example, this could involve how best to avoid adverse incentives whereby decisions about investment on the SRN are not progressed in anticipation of schemes in the MRN pipeline addressing the same need.

3.19 The consultation sets out a clear intent for the MRN and RIS programmes to be complementary, and for decisions about investment to be made in an integrated way. It will be important to recognise the potential interdependencies of decision-making and governance between the two investment programmes to mitigate any potential conflicts or adverse incentives between the two.

Question 14 *Do you agree with the investment assessment criteria outlined?*

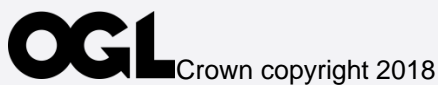
3.20 It is important that the investment assessment criteria can be applied to both major renewals and enhancements so that the right balance between the two types of scheme can be achieved. This will ensure funding is not exclusively used to promote enhancements over major renewals. For example, whilst a major renewal scheme may avoid congestion from closing links or implementing weight restrictions, it may not support housing delivery.

Question 15 *In addition to the eligibility and investment assessment criteria described what, if any, additional criteria should be included in the proposal? Please be as detailed as possible.*

No specific comment

Question 16 *Is there anything further you would like added to the MRN proposals?*

- 3.21 We would welcome any opportunities for sharing data from the MRN relating to condition, performance, cost and efficiencies to allow a comparison with the SRN and other routes.
- 3.22 The consultation does not currently consider multi-modal interaction and the potential roles for passenger transport operators and third party asset owners on the proposed MRN, such as Network Rail. Consideration should be given to their roles as relevant stakeholders in the investment planning process.
- 3.23 It is likely that winter maintenance and network resilience is delivered inconsistently across the large number of local highway authorities depending on the size of the authority, availability of funds, geography and climate. We recognise that the creation of the MRN is to provide investment for enhancement and major renewals schemes, but in defining a network that is consistent with and supports the resilience of the SRN, we believe it is important that similar consideration is given to winter resilience on the MRN.



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