



Dear Stakeholder,

This is a crunch time for the roads reform programme. Next month sees the Infrastructure Bill enter the Commons and also publication of the long-awaited Road Investment Strategy (RIS).

A herculean effort has gone into the RIS and Elliot Shaw's team continues to finesse and add the finishing touches for its launch, likely to be at or shortly after the Autumn Statement. I am optimistic we are going to have a really good strategy setting out our long term vision and ambitions, including our investment plans and how we will improve the network in terms of performance, capacity, asset condition, safety and the environment. This does feel truly transformational.

The Infrastructure Bill has made good progress through the Lords. Parts of the roads reform element have been firmed up with a stronger role for the monitor and being clearer on issues like the environment, safety, cooperation and consultation. Essentially there has been widespread support for the model and we are on track.



We will continue to want to work with stakeholders to get the full benefits and impacts from this programme.

John Dowie
Director, Strategic Roads & Smart Ticketing

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Autumn Statement 3 December

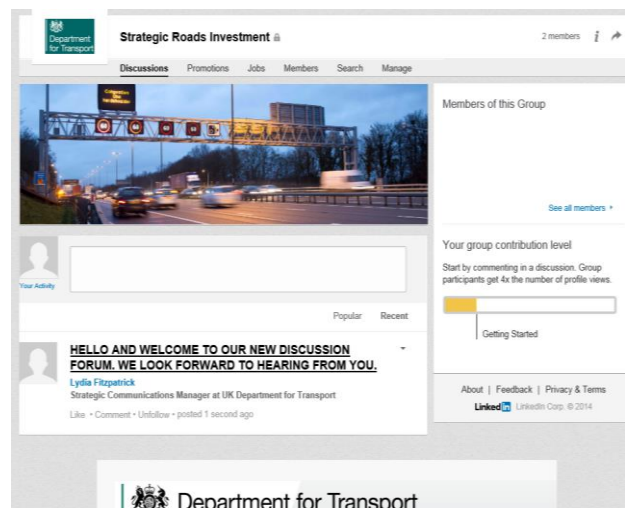
The Chancellor of the Exchequer George Osborne will give his annual Autumn Statement to Parliament on December 3 2014.

It will provide an update on the government's plans for the economy based on the latest forecasts from the Office for Budget Responsibility that will be published alongside the Autumn Statement.

Full details of the announcements will be available following the Chancellor's statement to Parliament. The Department for Transport expects to publish its Road Investment Strategy shortly after.

The [Treasury's Twitter feed](#) will include all of the latest information on the Autumn Statement, and will be using #AS2014. Or follow our developments on the DfT channel <http://bit.ly/1xMLI50>

Are you on LinkedIn? Do come and join us!



We are always keen to investigate new ways of engaging with our stakeholders. So we have launched a strategic roads investment LinkedIn group for the launch of the Road Investment Strategy and run up to Royal Assent on the Infrastructure Bill. The aim is to supplement and not replace our traditional methods of communication with you. So regular forums and current contacts will continue. We hope the new LinkedIn group will help maintain contact and dialogue with those who may be more far flung – many of whom we met during our regional workshop visits. But we also hope it will provide a means for you to hold discussions with each other. Please sign up and participate. And watch out for our live forum for a discussion with officials following publication of the Road Investment Strategy. Go to the link to join the DfT's Strategic Roads Investment group: <http://linkd.in/1oLtEse>

We look forward to hearing from you.



Who watches the Strategic Highway Company?



The Roads Reform programme will bring an unprecedented level of transparency to the delivery of the Strategic Roads Network, but how? **John Larkinson, Director, Economic Regulation**, tells us how the Office of Rail Regulation (ORR) will fit into the new system.

ORR is the independent safety and economic regulator for Britain's railways; it has been working to ensure the network operates safely, reliably and provides value since the Rail Regulator was replaced in 2004. Under the roads reform model, ORR will operate a Strategic Roads Network Monitor that will assess the performance and efficiency of the Strategic Highways Company. The Monitor will publish regular reports and, if necessary, issue orders and in exceptional cases, fines to the company in order to drive performance improvements.

ORR will bring valuable experience of monitoring transport infrastructure and driving efficient delivery to the roads monitoring role but there are challenges ahead. John is embracing these challenges: "We have a lot to learn about the road sector so we're already working closely with the Highways Agency and numerous stakeholders. We're bringing in the highways engineering skills and knowledge that we need to understand the roads business and properly assess roads performance. I expect that our approach will continue to develop as we learn more throughout the first roads investment period."

The monitoring role will be very different for roads and rail, for example, the Monitor will not have any pricing or safety functions with respect to road. ORR aims to tailor the roads monitoring regime specifically for the roads sector. John says: "Our approach needs to provide the level of assurance our stakeholders need but it's also important that we're proportionate in the way that we monitor - we don't want to create an unnecessary burden. We want the company to be proactive in driving better performance and efficient delivery – but we will provide the independent scrutiny and challenge to make sure that happens."

Infrastructure Bill: governance arrangements for the new strategic highways company

A series of documents have been published setting out key elements of the governance framework for the new strategic roads company including:

- *Transparency for Roads*, which sets out the roles of the new Monitor and Watchdog performed by the Office of Rail Regulation and Transport Focus – Road Users (formerly Passenger Focus).
- *Transforming our strategic roads – a summary*. This is an updated document with additional information about roles and responsibilities in the system of governance for the new company and how this system will ensure the company fulfils important obligations on issues such as safety, the environment and cooperation with others; and
- a new version of the draft licence, updated to reflect further developments, particularly with regard to safety and the environment, as well as cooperation, asset management and research, and the processes for setting and varying a Road Investment Strategy.

The government tabled a number of amendments to the Infrastructure Bill to ensure that, in setting or varying the Road Investment Strategy, the Secretary of State has regard to road user safety and the environment, and that appropriate consultation takes place. Also to strengthen role of the Monitor, giving it the ability to carry out independent enforcement activity if the company fails to deliver.

As the Bill remains subject to Parliamentary approval, these documents remain subject to change.

A copy of the governance framework documents are available at: <http://bit.ly/1zMqeJO>

Further information on the Infrastructure Bill is available at: <http://bit.ly/1GP4qiv>



Colin Matthews new Chairman, Highways Agency – in his own words...



A few weeks into my role at the Highways Agency, I have identified three priorities for myself: safety, operational improvement and establishing the new, government owned company. The third is a key part of why I was hired, but deliberately last in my list because the new company is the means an end: the

fundamental priority is to delivery safer, more reliable and cost effective roads.

In transport, more than anywhere, it should be obvious that we are on a journey. In my view, a good team is one which is improving, not one which claims to have arrived. I admire the achievements of the Highways Agency to date and at the same time I know we can improve.

Most important, that applies to safety. Roads have got safer in recent years, and much more remains to be done. We will improve by collaborating with the many organisations who touch and influence the roads - and with road users. I have much to learn about the key players in road safety and look forward to doing all I can to encourage an effective partnership of those determined to reduce the number of injuries on our roads.

Operational improvement refers to every aspect of the Agency's work. Technology and new ways of working have allowed other industries to deliver improved quality for less cost and we must do the same. Most of the work of the Highways Agency is delivered through partners, including construction companies and many other service providers, so collaboration will be vital here as well. Collaboration to deliver the best outcome for road users must go along with effective commercial tension to ensure value for tax payers.

The new company is being established to support the improvements which everyone wants. Given what I know of other infrastructure companies, I was surprised to find that the five-year investment plan being worked up today will be our first. A longer term plan will enable us to deliver better planned, more cost effective projects. Moreover, government has

announced a big increase in investment for which we must strengthen the organisation. I have found wide agreement that these are better achieved through a company owned by government, but with enough space to focus on delivery, leaving others to focus on policy and monitoring our performance.

Roads matter. Society depends on them for social and economic health. That's why I feel honoured to have joined the Highways Agency as it confronts such an important challenge.

Regional stakeholder events roll on



Transport Minister John Hayes has continued his regional roads reform stakeholder workshops, visiting Peterborough and Liverpool. His final visit before Autumn Statement is due to be Tunbridge Wells, Kent, when he will also view improvement works on

the A21.

The minister has been talking to stakeholders about the Government's new strategic approach to roads investment and the importance of establishing a political and cross-agency consensus to deliver it. He has told audiences this has to be done by establishing a sufficiently cohesive and persuasive vision and explaining it to the public through a range of different avenues. He urged stakeholders to help put the message across.

Forthcoming stakeholder events:

Date	Event	Location
20 Nov	Regional workshop for local authorities and business	Tunbridge Wells, South East
17 Nov	Environmental NGOs meeting with John Hayes	DfT, London
26 Nov	Motorist Forum with John Hayes	DfT, London
Dec tbc	Roads Reform Expert Group	DfT, London



Roads Investment Strategy hits the headlines



The Prime Minister announced Government plans to transform the country's Strategic Road Network in a speech to the annual CBI conference earlier this week. He said one of the biggest road improvement programmes in four decades is expected to deliver over 100 schemes and over £15bn of investment, including tackling

some of most longstanding and notorious problems on the Network. This will include improvements to:

- A303 in the south west, including action to improve the environment of the World Heritage site at Stonehenge.
- A1 north of Newcastle, improving transport links between London and Scotland.
- A1 Newcastle-Gateshead western bypass, supporting the economy of the area.
- Trans-Pennine roads in the north of England, supporting the ambition to develop a Northern Powerhouse.
- A47 in the east of England, aimed at improving east-west connectivity.
- A27 on the south coast, including tackling congestion in an Area of Outstanding Natural Beauty at Arundel.

These schemes contribute towards achieving the Government's commitment to promote a competitive economy, sustain the recovery and promote green spaces and wildlife corridors in order to halt the loss of habitats and restore biodiversity and support sustainable travel.

More details will be announced as part of the Autumn Statement, when the Road Investment Strategy will be published. To see the PM's speech:

<http://bit.ly/1xMM4J7>

Infrastructure Bill progress – update

The Roads Reform clauses contained in the Infrastructure Bill, including Government amendments introduced made after Lords Committee, went through the Lords Report stage unopposed on November 3. The long-term funding commitment for strategic roads continues to receive

cross party support. Changes have been made to the Road Investment Strategy (RIS) following comments from stakeholders to ensure the government has regard to environment and safety issues when setting the RIS in the future. Opposition Lords wanted to go further and Baroness Kramer committed to placing a responsibility on the new strategic highways company in relation to environment and safety objectives on the face of the Bill at Third Reading.

The next stage is Third Reading in the Lords on November 19 and immediately afterwards it will be introduced into the Commons.

Understanding road traffic trends – building on recent engagement

Following on from the success of the workshop we hosted in September to discuss latest thinking around recent road traffic trends and its implications for road forecasts and the National Transport Model, the Department has recently met with a small group of leading academics in the field of transport to discuss some of the emerging evidence behind road demand in more detail.

This ongoing dialogue is aimed to help develop an improved and shared understanding of the nature and causes of recent trends, and is supporting a broader piece of work we are doing to bring together the existing evidence from across statistics, social and economic research and modelling on the drivers of road demand.

We will be looking to share the findings from this work, which will encompass the findings of two literature reviews we recently commissioned, towards the end of the year.

Tell us what you think

If you have feedback on this newsletter or roads reform policy please get in touch: Simon Chapman 020 7944 2367 or Lydia Fitzpatrick 020 7944 2561 or email us at: RoadsReform@dft.gsi.gov.uk.