



Department
for Transport

Consultation Document

**on transforming the Highways Agency into a
government-owned company**

Response from:

British Vehicle Rental and Leasing Association

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Response to Department for Transport

Bona-fides **BVRLA, the industry and its members**

- Established in 1967, the British Vehicle Rental and Leasing Association is the UK trade body for companies engaged in the rental and leasing of cars and commercial vehicles. Its members operate a combined fleet of 2.75 million cars, vans and trucks.
- BVRLA members buy nearly half of all new vehicles sold in the UK, supporting around 184,000 jobs and contributing more than £14bn to the economy each year.
- By consulting with government and maintaining industry standards, the BVRLA helps its members deliver safe, sustainable and affordable road transport to millions of consumers and businesses. For more information, visit www.bvrla.co.uk.

Executive Summary

The BVRLA welcomes the opportunity to comment on the proposals to reform the Highways Agency, currently an executive agency of the Department for Transport, into a government-owned company.

The BVRLA has long called for the Highways Agency to be made a publicly owned, non-political body that can provide long-term continuity of road investment for motorists. As the trade body representing the interests of the business motorist, the BVRLA is keen to work with the Department for Transport to develop an effective 'Motorists Champion' to speak for the needs of business and consumer road users.

Our key recommendations as part of this response are that:

- Consideration is given as to how the strategic road network links with the local road network and how the Highways Agency can work with councils, local authorities and transport authorities to ensure that works on both networks are co-ordinated and have the minimal impact on road users.
- We would like to see the Highways Agency having a strategic focus on using data going forward. It is becoming clear that the Highways Agency has access to data that would be invaluable to all road users, in particular UK businesses. The data, could for example, provide businesses with the opportunity to reduce their costs by better route-planning, reducing the costs of congestion and gain insight into the impact of accidents and alternative routes.

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- The road regulator will need to strike an important balance in representing the needs of all road users. We would suggest that a group made up of representatives of both business and consumer road users could be formed to achieve this.
- We would suggest that the Highways Agency needs to be totally independent from Government and set up as a separate trading fund with no requirement to rely on central Government for any financial support, for example, recruitment or any other shared services.

Specific Comments

1. Do you agree that the company model proposed in paragraphs 2.3 –2.15 will provide the company with sufficient freedom and flexibility to operate on a more efficient basis, but also include necessary checks and balances?

As proposed it looks like the model takes into account the freedom and flexibility that will be required to invest over the longer term in the road network and remove the ebb and flow of investment that have been experienced to date.

We would welcome clarity that this model will differ from the VOSA model which still requires VOSA as a trading fund to go to the department for sign off on certain areas of expenditure. We would suggest that the Highways Agency needs to be totally independent from Government and set up as a separate trading fund with no reliance to go to central Government for any financial support, for example, recruitment or any other share services.

2. Do you have any comments on the proposed process for setting the Roads Investment Strategy (RIS)?

The process described in the consultation appears to be robust, although the time it takes to get a strategy to be approved will be vital to ensure that the requirements are not out of date when the strategy is published. As it is likely this will be a five year strategy, a process should be established for minor amendments to be made without the need for a major consultation exercise especially as this would delay delivery on the benefit to road users.



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We believe there is a vital role for the watchdog to ensure all road users are consulted on the RIS and that the stakeholder needs are recognised and implemented in a fair and balanced manner. This could be done through working groups and consultations by the watchdog.

We would also suggest that a key objective of the RIS is to make data more accessible to road users. Data which is collated by the Highways Agency in areas such as: traffic predictions, average accident delay times, impact of road works etc. is all data which should be made widely available to all road users in a user-friendly format.

3. Do you agree that the proposals described in paragraphs 2.16– 2.29 will enable a strategic highways company and the UK highways supply chain to plan ahead and deliver more efficiently?

We agree that the proposals will deliver clear benefits to road users. However, to ensure all the benefits are delivered effectively, clarity around how the watchdog will operate and engage with all road users is required. We have set out recommendations for this at question 6.

4. Do you agree that the proposals set out in paragraphs 2.30 – 2.37 strike the right balance between autonomy and accountability of the new company?

Yes, however, we require clarity as to what restrictions if any the new company will be under for its expenditure.

5. Do you agree that environmental protections will be appropriately integrated into the governance regime for the new company, as described in paragraphs 2.39 – 2.42?

We have no comment on this area.

6. Do you agree that the proposals set out in paragraphs 2.43 – 2.46 will lead to the necessary cooperation with and accountability to local authorities, operational partners, road users and interest groups?

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We are concerned that using the rail regulator and watchdog may not strike the right balance of all road users. We understand from stakeholders in the freight sector that the balance between the needs of passengers and those in the freight sector is not always recognised by Passenger Focus, indeed the name of the organisation itself identifies who its key priority is. To ensure our concerns are addressed when the watchdog is set up for the Highways Agency we would suggest a trade body group is established to hold the watchdog to account. This should ensure they do take into account the views of all road users. The trade body group could consist of representatives from the business motorist, freight and logistics sector, private motorist and bus/coach sector.

We would want to ensure that there is clear interaction between the bodies responsible for the local road network and the new Highways agency, so that road users can be sure that when work is being undertaken on the strategic road network the local road network in the surrounding area is not also being upgraded.

For example, we understand that the Highways Agency is planning to replace 80% of the strategic road network over the next 5 years. It is likely that when this takes place this will put additional pressure on the local road network. It is vital that the Highways Agency works with the local transport authorities to ensure that planned works are co-ordinated on both networks to reduce the burden on businesses and other road users that road works cause.

A solution to this issue would be for clear alternative routes to be published well in advance of any works which take place on the strategic road network which have been agreed with the local transport authorities.

7. Do you agree with the nature and scope of our proposed approach for ensuring effective, independent scrutiny and challenge of the company, as described in chapter 3?

Yes, however as we have outlined about the watchdog and regulator need to balance the needs of all road users and this should be one of their key objectives. We believe that the establishment of a trade body group would help this balance.



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Closing Comments

We would welcome the opportunity to continue our constructive dialogue on the new Highways Agency and hope that our comments go some way to shaping and developing the new government agency.

Leasing Members

In general, vehicle leasing is an arrangement where the user simply hires the use of the vehicle and assumes operational responsibility for a predetermined period and mileage at fixed monthly rental from the owner (the leasing company). Legal ownership is, in the majority of cases, retained by the leasing company.

Short Term Rental Members

Rental Members offer hourly, daily, weekly and monthly rental of vehicles to corporate customers and consumers. As explained above, rental members are the owners of the vehicle.

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