

From:

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To:

James Veaney
Ofgem
10 South Colonnade
Canary Wharf
London E14 4PU

1st October 2020

Re: RIIO-ED2 Sector Specific Methodology Consultation: Annex 1 - Delivering value for money services for consumers

Dear James,

Thank you for the opportunity to contribute to the RIIO-ED2 Consultation process.

Highways England is tasked with the responsibility of operating, maintaining and developing England's Strategic Road Network, the primary road transport infrastructure that supports the vital life of the country. This road network includes over 4000 miles of motorways and major trunk roads, ensuring it is kept operational and is continuously being enhanced through our national programme of works.

As announced by the Chancellor of the Exchequer in the March 2020 Budgetary Statement, Highways England has been tasked with the delivery of a £27.4bn portfolio of Operational & Major Programme deliverables for the next 5-year Road Period (Roads Period 2, 2020-2025).

Critical to this successful operation and programme delivery for Her Majesty's Government will be the supporting partnership from the statutory Utility companies. At present we believe there is a considerable portfolio of diversionary works to requisition from the Utility companies, as the statute asset owners, in order for Highways England to meet our delivery targets for the country.

The majority of Highways England's engagements with the DNO's centres around needing them to undertake diversionary works. This often entails a lengthy engagement to design and plan the works, with associated outages on the HV network; this to accommodate the tie-in work of the new, diverted cables & infrastructure.

We believe there are 3 opportunities to contribute towards the RIIO-ED2 Consultation.

It should be noted, that separate to this Consultation response, Highways England is already commencing strategic dialogue with some of the DNO's in order to develop and enhance our partnership with them; many of them are fully receptive to this opportunity to work in a closer, more collaborative alignment.

Annex 1.

4. Meet the needs of consumers and network users: Customer satisfaction

OUTQ3. Do you agree with the proposed scope and associated customer category weightings for the satisfaction survey?

Highways England would like to see a widening of the scope of the Customer Satisfaction Survey so as to include National Infrastructure partners, with due consideration and weighting given to their national status. At present as a single stakeholder our message may be lost and or not proportionally represented, given the criticality and scale of programmes that we need to deliver with the DNOs.

In expanding the scope of this feedback we believe there may be opportunity for the DNOs to have an encouraged flexibility of service offer to National Infrastructure providers (ourselves, Network Rail, Heathrow, HS2, etc).

This encouragement to provide tailored services to Infrastructure clients could therefore be supported and encouraged via Ofgem as Regulator; it could then be measured, demonstrated and the customer satisfaction surveyed periodically.

This would encourage a service provision approach that Highways England and some of the DNO's are already seeking to cultivate.

OUTQ6. Do you agree with our proposal to remove the Stakeholder Engagement and Consumer Vulnerability Incentive in RII0-ED2?

As per OUTQ3 Highways England would seek for Stakeholder Engagement to be expanded so as to include Infrastructure providers with appropriate weightings for national significance, scale and spend.

7. Maintain a reliable network

Planned Interruptions.

OUTQ27. What are your views on retaining an incentive for planned interruptions performance, and the associated targets?

In the development of Highways England's programmes and projects it is important that we are able to plan suitable diversionary works in a co-ordinated manner and seek to undertake this work in a reliable and predictable timescale. It is recognised that much of this work is under our control however the DNO's planning and performance are a critical element to this success.

Diversionary works are often associated with network outages, which only the DNO can plan for. As such Highways England need to seek greater programme certainty and would ask

through this Consultation for that consideration and imperative within the DNO's planning teams.

In order to mitigate risk and in order to help the DNO's complete their works with reduced site constraints from our own contractors, it is often helpful for the DNO's to complete diversionary works very early in the commencement of our road schemes. As such the DNO's would generally rely on Highways England statutory powers, rather than fall back on the use of their own powers. In planning for future diversionary works Highways England would ask through this Consultation for the DNO's to be encouraged to consider this request, so as to mitigate our national programme risks?

Thank you for this opportunity to contribute to the Consultation process.

Yours sincerely,

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