



Philip Hammond and Graham Dalton visit staff at the Agency's West Midlands Regional Control Centre in 2010

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In this exclusive interview, editor Alec Peachey speaks to Highways Agency chief executive Graham Dalton



This year has been a significant one for the Highways Agency. Firstly, the Government announced its biggest investment in roads since the 1970s. It also set out plans to transform the Highways Agency into a publicly owned corporation.

The Government is committing £10 billion of investment in road repairs between 2015-16 and 2020-21. Of this, £4bn will be spent on national road maintenance – something that has been welcomed by Highways Agency chief executive Graham Dalton.

He said: *“The relationship we’ve got with the Treasury and central Government is strong and that means we’ve been able to make the case for the right level of asset renewal and investment in maintenance. It’s recognition that roads are important and that they need to be maintained properly. I think what’s different*

about the major project side of it (new capacity) is that the current Government have looked at the role that the strategic roads play in the national economy. They have concluded that we have now got to the point where the network doesn’t have the capacity to support the sort of economic growth and performance that business needs now. They are saying that transport is fundamental to the health of the economy.

“When they look at the proportion of goods and businesses that use the roads they’ve got a vision of a better performing and more robust network. I think that vision is welcome. We know how important the strategic road network is because we run it, but I think it’s great that politicians and the Treasury recognise it and are prepared to make a long-term financial commitment.”

Funding for roads

Since the announcement, transport secretary Patrick McLoughlin has outlined details of a new policy paper entitled ‘Action for Roads: a network for the 21st century’. It details new arrangements for the Highways Agency and commits to providing funding for roads. This commitment includes a guarantee of six year funding certainty for capital projects and maintenance. This funding and reform will be underpinned by legislation so future Governments cannot walk away from the commitments.

“The guarantee is absolutely fundamental,” explains Dalton. *“It takes three to five years to take a large scheme through development phases and to get the consent you need.”* ➔

☛ *That's about the lifetime of a Parliament. So if you get a new Government to commit to a new idea, it has only got to the position of being able to start construction towards the end of that Parliament. That puts too much uncertainty into it. It can end up in a scheme being prolonged through the development phase. This can leave you hanging in there to see what is going to happen in the next Parliament and whether or not you get the go ahead. So having this commitment means that we are just like the other utilities."*

New capacity

Dalton recognises that there is a demand for further capacity to be added to the UK's road network and points to the success of the Agency's rollout of managed motorways.

"We've got quite an ambitious programme of things that can be done if we look at the pressure points on the network," he remarked. *"That does not mean building new motorways. New capacity on the corridors is the most important thing. Trunk roads form about 60% of our network. On route mileage there is more trunk road than motorway. Those range from quite a lot of high quality dual two/dual three-lane, coupled with some fairly serious bottlenecks in a few places where we'd like to see roads improved."*

"Two years ago we opened the tunnels at Hindhead on the A3 which at last completed the route between London and Portsmouth. People have really benefited from the completion of that route. We're currently working on the A11 which will at last give Norfolk a dual carriageway link to the rest of the country. There are plenty of other bits of trunk road that we should be improving."

"Managed motorways brings you two things. It brings the hard shoulder into use as a normal running lane and that means we are getting the capacity. It is at a lower cost, but that's not the sole reason for doing it. It is much quicker to design and build so you get the benefit sooner and it has substantially less environmental impact."

The technique was first used in the UK on the M42 motorway in the West Midlands in 2005. The results of that trial proved that it is actually safer now than what it was before.

"We know that managed motorways work and that they perform well," comments Dalton. *"We also know that they're safer and that drivers like them. The bit on the M25 (J5-7 and J23-27) is what we call managed motorways all lane running. It will be dual four lane at all times with a full running capacity using the variable speed limit to give a measured and controlled flow. So we get the extra capacity through a fourth lane, steady throughput, lane utilisation and fewer incidents to disrupt flow."*

The M6 junction 10a to 8 section of managed motorway provides use of the hard shoulder as an extra lane at peak times



Dalton described the implementation of managed motorways as *"the standard method of increasing motorway capacity."*

With North Yorkshire on the list to be done, the M60 around Manchester, the M62, and more on the M6, M3 and M4 – this statement certainly rings true.

[The Government] are saying that transport is fundamental to the health of the economy.

Becoming publicly owned

When you talk to Dalton you quickly get a good idea of how passionate he is about the network. It is also interesting to hear him refer to the Highways Agency as a company, in light of the news that it is to become publicly owned. Some feel it could be the first step towards privatisation, but Dalton asks: *"Why would you want to privatise it? There is no revenue stream. The money to maintain the network is collected through various forms of taxation. Any company, whatever its ownership, if funded through taxation would count as public sector spending. I don't see any call for privatising it. This is about setting out a company that works on good corporate lines in the public interest to do the best job it can for road users."*

And Dalton feels the Agency is well positioned to become more commercial.

"I've done a lot in my time here to make us more commercially astute. At the moment, as an executive agency for the Department for Transport (DfT), the brief is to report and respond to ministerial requirements."

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Attracting new talent

The Highways Agency chief executive believes the industry must do more to attract younger professionals.

"There are not enough young professionals working in this sector, or transport generally," Dalton told *Highways Magazine*. *"Whether it's contractors, consultants or suppliers, they're really going to have to up their game to secure fresh talent who have new ways of working – a generation X if you like. The second challenge is to get a shift in mindset. Get out of the 'just tell me what to build mentality' and really think about the customer and the service. We're in an industry that still tends to think about square metres of black top, the number of structures, scale, size and the amount you spend, not what you achieve. So I think the industry has still got a long way to go to deliver a better performing network for road users in genuinely innovative ways."*

Local roads

The Highways Agency is responsible for operating, maintaining and improving the strategic road network (motorways and A roads) in England on behalf of the Secretary of State for Transport.

The local road network falls under the remit of local authorities, but Dalton recognises the pressures they are facing.

"They have real pressure on them for maintenance of a lot of very lightly trafficked roads," he states. *"They need all the help they can get from suppliers in terms of coming up with genuinely low cost maintenance and repair solutions."* ☛



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Graham Dalton (left) pictured at the official opening of the Hindhead tunnels with Secretary of State Philip Hammond in July 2011

Like most Government departments the Highways Agency has been under pressure to make savings. This is a challenge that he has faced head on.

"I'm in a fortunate position as I haven't got any pressure that I haven't signed up to," says Dalton. "We have fundamentally rewritten our specification for the maintenance of the network. That has taken out genuine cost, in some cases at the expense of jobs and volume of work. I make no apology for that. We have reduced some of the cosmetic aspects of how we maintain the network. My post bag has got quite a lot of complaints in it about the amount of times we don't cut the grass, vegetation and foliage. We take the view that times are tough and we will cut the grass where we need to. We do not routinely go and cut the grass up the side of a motorway to make it look pretty. Actually it's better for biodiversity to not cut it all the time."

Dalton would like to see the industry take a more collaborative approach.

"On the major projects side we've got lead contractors and consultants working on what we call a major projects hub," he notes. "They're all in one office sharing ideas. Rather than having a contractor with a really good idea saving money on one project, he's required and incentivised to come up with an idea and share it with all the contracts, including the ones his competitors are working on. That takes out cost for us, but also gets that small group further away from the rest of their competitors. I make no apology for getting the same output and same performance of network for less money."

It is clear that companies tendering for area contracts have to provide best value.

Dalton adds: ***"We're putting the onus on them to determine how to do a job. We want a network inspected and incidents attended to."***

Working together

Despite significant Government investment in HS2, Dalton insists that the road network is not in competition with rail. *"I use the train when it suits what I have to do, which is probably a city centre journey. I use the road quite a lot when I'm trying to get from region to region. If you've got 30 or 40 tonnes to move in a single load rail doesn't do it for you. If you've got 2,000 tonnes to move on a regular basis rail does. It's all part of an integrated network."*

Going forward he is also keen to secure closer cooperation with local highway authorities. *"By becoming a public corporation we will not be as close to central Government. At the moment I think some local authorities treat the Agency wearily or with a bit of caution because their general funding also comes from DfT. They probably think they are competing with us. I have a clear policy of working with those who wish to work with us, but not being aggressive about it. I think as we're further from Government they will probably start to see that we have got a bit more in common."*

Tolling

The Highways Agency is currently consulting on a £1.5 billion plan for the A14, which links the Port of Felixstowe with the Midlands and M6, via Cambridgeshire and Northamptonshire.

A toll of between £1 and £1.50 for cars, and double for lorries, is being proposed for a stretch of the road south of Huntingdon to help fund part of the improvements.

However, Dalton insists that any wider introduction of tolls is unlikely. *"It's quite normal for river or aerial crossings to have a charge," he says. "Technically it would be possible to charge people to use the network, but that may or may not be instead of the charges that are there now. It's up to the Government of the day to decide on the balance."*

"The technology could do it, but I see no appetite. I've worked for six secretaries of state for transport and have seen no particular enthusiasm from any of them to make such a radical move in the foreseeable future."

"It is possible for new capacity that charging should be considered and it certainly is the intention on the A14, but that's the exception rather than the rule."

Despite all the changes taking place at the Highways Agency Dalton remains confident about the future.

"I've been working for five years to turn the Highways Agency from a sound Government body into a good infrastructure owner and operator. To turn it into a properly incorporated company, with a really good future workload and clear expectations including network performance, I think is exactly what this company needs. It's really good for customers on the network and makes it an exciting place to work."

"It's a bit scary as we've got quite a lot to do over the next couple of years. To turn it into an incorporated company and to deliver the trebling in capital investment, either of those is a huge step, but both together is not something that many people get to do. Myself and the team are relishing making the best of it," he concludes.