

TravelWatch NORTHWEST

Princess St Manchester: Tel 07807 768124
 Email: admin@travelwatch-northwest.org.uk
 Website: www.travelwatch-northwest.org.uk
 Correspondence address – 11 Harvelin
 Park, Todmorden, OL14 6HX

Winner of CILT award for best practice in passenger transport

promoting quality public transport.....

Roads Reform Consultation
 Department for Transport
 Zone 3/23, Great Minster House
 33 Horseferry Road
 London SW1P 4DR

19th December 2013

Dear Roads Reform Team,

Roads for Reform

1. Introduction

1.1 TWNW is an independent Community Interest Company which aims to champion and represent the views of public transport passengers in NW England.

1.2 Well before the publication this summer of “**Action for Roads**” the Office of Rail Regulation (ORR) had already consulted on its being given a greater role in the regulation of rail franchises.

1.3 Essentially ORR proposed then that it should become the sole regulator and licensing authority for the UK’s rail industry ¹ able to control Train Operators and Network Rail by the attachment of conditions to their licences ² rather than the existing contractual obligations which underpin their franchises.

1.4 Our response was **broadly supportive** of this suggestion but contained some important reservations (see following two bullet points in italics) of their proposed additional package of reforms.

- *We noted then that the ORR on its inception in 1993 was the parent of what has become Passenger Focus (PF) but that in 2000 that role passed to SRA and in 2005 to the DfT. and that Rail regulation is currently split between the DfT and the ORR, a situation which we agreed is sub optimal.*
- *Our preferred model has always been for a single powerful passenger transport industry regulator. We noted that the McNulty “Rail Value for*

¹ Outside London and Northern Ireland

² as Traffic Commissioners can do to holders of PSV Operators’ Licences.

Money” (RVFM) report in May 2011 identified a single industry Regulator as best value for money.

1.5 We believe this is very relevant to today’s consultation. The full response, dated 2nd March 2012, is attached to this letter.

1.6 A **caveat** which we hope can be read throughout our response is that whilst much of the consultation is generally very sensible, its effect on passengers, who we represent, and who are at best “once removed”³ Strategic Highway Authority users, can only be indirect. We have tried to link our responses to the questions in the consultation but some of these are clearly not applicable to us. Question numbers are cross-referenced where applicable

2. Recent events.

2.1 Our response to this ongoing consultation has now become more complicated in the light of **new proposals by DfT to convert the Highways Agency into a “not for profit plc”** modelled on Network Rail (NR).

2.2 We appreciate that this would not amount to privatisation and that the proposed new Strategic Highways Authority (SHA) would become an Arms Length Management Organisation (of which we can offer several successful examples in the municipal passenger transport sector in the North West).

2.3 In that context the proposal that SHA should (para 2.16) be licensed by the Secretary of State to provide the statutory powers it will need to “operate, maintain and improve our highways” is sensible.

2.4 NR has developed Route Utilisation Strategies (RUSs) which could well inform the proposed creation by the new SHA of **Road Investment Strategies** (RISs) [Q2] and NR, with ORR, has also honed a very “fit for purpose” mechanism for controlling investment and expenditure⁴. We agree with the statement that ORR has the skills to hold a SHA to account but if these proposals materialise, NR and ORR will need to train SHA’s staff in their use.

2.5 Taken in the round the **proposed new governance model** should encourage more independent, local and effective highway management [Q 1]. However the view that this could be an opportunity to deregulate Traffic Regulation Orders may not be the case, as it ignores existing Traffic Commissioners’ sometimes parallel Traffic Regulation Conditions.

2.6 It is probably too early to express a view on whether the proposals strike the right balance between accountability and autonomy [Q 4] and are conducive to forward planning [Q 3] or sufficiently address environmental concerns [Q 5]. We do, however, regret the passing of the **Planning**

³ e.g. passengers on Express Coach services using the Strategic Highway

⁴ High Level Output Statement / Statement of Funds available (HLOS/SOFA)

Commission on Projects of Major National Significance [Q 6] and the over “simplification” of the National Planning Policy Framework (NPPF). We support there being a need to find a way in which the SHA can acquire the functions that would allow it to deal with relevant local issues whilst leaving matters of national significance to be determined by the government [Q 7]

3. Passenger Champions

3.1 It is at this point that TWNW finds it **cannot endorse your preferred option**. [Q 7]

3.2 We do not believe that Passenger Focus (PF) is, as the consultation says, “well placed to represent road users”. It is there to represent public transport users. By no means all road users are in that category and there are fundamental **conflicts of interest** between the public transport users which PF represents and private motorists, as manifest in the current disagreements surrounding the removal of bus lanes in Liverpool, Doncaster and Bristol.

3.3 PF engages with most Rail User Groups (RUGs). These are mainly local. The nearest equivalents for road users are the national motoring organisations such as the AA and the RAC and trade associations like the Freight Transport Association but these are primarily commercial organisations. TWNW recognises that public transport’s main competitor is motorists, and believes that the creation of the same single champion for both would be counter-productive.

3.4 In some industries (e.g., rail but not buses) the regulator can control **prices**, but this raises the interesting question of how ORR would react to a proposed local or national **road pricing** scheme?

3.5 Regulators wear many hats (e.g. oversight of consumer protection, competition, price/fares, complaints, service levels, safety etc) and not all “regulators” in the transport industry have similar roles. The overall picture is chaotic and confusing with watchdogs (“bloodhounds”) and regulators (“bulldogs”) co-existing uneasily.

3.6 Perhaps now is the time to revisit the wider field of consumer protection in the public transport industry. TWNW would be prepared to engage with you either verbally or in writing in such an exercise.

Thank you for the opportunity to respond.

Yours faithfully,

John A Moorhouse

John Moorhouse Company Secretary

(Response prepared by Paul Fawcett MPhil FCILT)

North West Public Transport Users’ Forum Community Interest Company trading as TravelWatch NorthWest
Company No. 6181713

Registered Office: 11 Harvelin Park, Todmorden, Lancs OL14 6HX