



House of Commons  
Transport Committee

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# **The Work of the Highways Agency**

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**Eighth Report of Session 2002–03**





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Transport Committee

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**Eighth Report of Session 2002–03**

*Report, together with formal minutes, oral and  
written evidence*

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## The Transport Committee

The Transport Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Transport and its associated public bodies.

### Current membership

Mrs Gwyneth Dunwoody MP (*Labour, Crewe*) (Chairman)  
Tom Brake MP (*Liberal Democrat, Carshalton and Wallington*)  
Mr Gregory Campbell MP (*Democratic Unionist, East Londonderry*)  
Mr Brian H. Donohoe MP (*Labour, Cunninghame South*)  
Clive Efford MP (*Labour, Eltham*)  
Mrs Louise Ellman MP (*Labour/Co-operative, Liverpool Riverside*)  
Mr Ian Lucas MP (*Labour, Wrexham*)  
Mr George Osborne MP (*Conservative, Tatton*)  
Mr John Randall MP (*Conservative, Uxbridge*)  
Mr George Stevenson MP (*Labour, Stoke-on-Trent South*)  
Mr Graham Stringer MP (*Labour, Manchester Blackley*)

### Powers

The committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via [www.parliament.uk](http://www.parliament.uk).

### Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at [www.parliament.uk/parliamentary\\_committees/transport\\_committee.cfm](http://www.parliament.uk/parliamentary_committees/transport_committee.cfm). A list of Reports of the Committee in the present Parliament is at the back of this volume.

### Committee staff

The current staff of the Committee are Eve Samson (Clerk), Dr John Patterson (Second Clerk), Clare Maltby (Committee Specialist), Miss Frances Allingham (Committee Assistant) and Lis McCracken (Secretary).

### Contacts

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# 1 Introduction

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1. The Committee announced a rolling inquiry into the Department for Transport's Executive Agencies and Non-Departmental Bodies on 31 October 2002<sup>1</sup> to consider:

- The purpose of the Agencies and whether the current division of responsibilities is appropriate
- How the Agencies contribute to Departmental objectives and policy;
- Whether the level of accountability and transparency of the Government's relations with the Agencies is appropriate;
- Whether the Agencies' performance is satisfactory and whether they are sufficiently accountable;
- How the Agencies' funding arrangements relate to Government accounts; and
- Whether there is sufficient co-ordination of systems and sharing of information between Agencies and with Government.

2. On the 11 January 2003, the Committee announced that it would take evidence on the work of the Highways Agency.<sup>2</sup> It took evidence from Mr Tim Matthews, Chief Executive, on 5 March.

3. The Highways Agency (the Agency) is an Executive Agency of the Department for Transport (the Department)<sup>3</sup> with a Management Board of 9 headed by the Chief Executive.<sup>4</sup> The Permanent Secretary of the Department, assisted by an Advisory Board, is responsible for advising the Secretary of State for Transport on the Agency's performance. The Agency employed 1,673 staff in 2001 -02.<sup>5</sup>

4. The purpose of the Agency is to operate, manage, and improve a network of 5,863 miles (9,380 km) trunk roads and motorways on behalf of the Secretary of State. The network carries one third of all road traffic in England and two thirds of all freight traffic.<sup>6</sup> The Agency values the network at £62 billion. The Agency contracts with managing agents in 20 areas<sup>7</sup> who investigate, design, manage and control large scale repair works and maintenance; and maintenance contractors who carry out routine maintenance work in

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1 Press Notice 07/2001- 02, 31 October 2002.

2 Press Notice 13/2002-03, 11 January 2003.

3 Highways Agency, Annual Report and Accounts 2001-02, HC 326, p 8.

4 Ibid, pp 47-48.

5 Highways Agency, Annual Report and Accounts 2001-02, p 44.

6 Ibid, pp 8-9.

7 Planned reduction to 14 areas from 1 July 2003, C&AG's Report, Maintaining England's Motorways and Trunk Roads, (HC 431, Session 2002-03), p 9.

each area. The Highway Agency has been the subject of a recent report by the Committee of Public Accounts.<sup>8</sup>

5. The Department's aim is 'transport that works for everyone'.<sup>9</sup> The Highways Agency contributes to several parts of its strategy:

- To support the economy through the provision of efficient and reliable transport systems;
- To make better use of existing road and rail networks;
- To invest in more capacity to increase reliability; and
- To support the UK's logistics industry.<sup>10</sup>

6. The Highway Agency's work is required if the Department is to meet its PSA targets on congestion, road safety, air quality and efficiency. The Department has set the Agency an overarching strategic aim, 'To contribute to sustainable development by maintaining, operating and improving the trunk road network in support of the government's integrated transport and land use policies.' and broad objectives covering: maintenance, traffic management, congestion and reliability, investment, environmental impact, safety, partnership approach and good employer policies.<sup>11</sup> Additionally, Ministers set the Agency specific operational targets such as reducing the numbers of people killed and injured on trunk roads, installing motorway CCTV cameras, and a number of environmental improvement measures.<sup>12</sup> The Agency also measures its performance against Road Users' Charter Targets such as, for example, road works, the maintenance of emergency roadside telephones, the timing of routine maintenance, salting the road network, and the provision of information to road users.<sup>13</sup>

7. In our view, the relationship between the Agency and the Department is clear, and the division of responsibilities appropriate. The overall policy of the Department needs to take into account operational responsibilities, and the links between the Agency and the Department help achieve this. Although some targets are less defined than they could be, and not all targets have been met, the Agency is fulfilling its function. However, the Agency's relationship with its own contractors is more problematic. The Public Accounts Committee report identified a number of operational shortcomings.<sup>14</sup> We now wish to highlight the following matters relating to finance, performance and accountability.

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8 Committee of Public Accounts, Thirty-second Report of Session 2002-03, The Highways Agency: Maintaining England's motorways and trunk roads, HC 556.

9 Department for Transport Annual Report 2003, Cm 5907, May 2003, p20.

10 Ibid, p21.

11 Highways Agency, Annual Report and Accounts, 2001-2002, p30.

12 Ibid, pp31-34.

13 Highways Agency, Annual Report and Accounts, 2001-2002, pp35-38.

14 See footnote 8 above.

## 2001-02 Overspend

8. The Government switched from cash accounting to resource accounting in 2001-02, a change which had been announced in 1995. Cash-only accounting tracks the receipt and payment of cash in the year received or made.<sup>15</sup> Resource accounting records the consumption of resources, not just the timing of their payment, and provides a clearer view of the real costs of public services.<sup>16</sup>

9. Although the change in accounting methods was clearly signalled, and accompanied by training to prepare departments for the change,<sup>17</sup> the Highways Agency was inadequately prepared and in 2001-02 overspent its resources by £313,932,000.<sup>18</sup> Mr Matthews said that a contributory cause had been difficulties arising from the Agency's switch in 2001-02 from cash only to resource accounting. Despite the long lead in to the new system the Agency initially prepared its 2001-02 accounts on a cash-only basis. Last minute work was needed by the Agency to meet the new requirements and consequently the accounts were late.<sup>19</sup> Mr Matthews accepted that the Agency 'had a lot of lead time' to get resource accounting in place.<sup>20</sup> **It is completely unacceptable that the Highways Agency did not have proper accounting systems in place to cope with the change to resource accounting. The Agency had ample time to prepare fully. We expect the Chief Executive of the Agency, as the Accounting Officer responsible, to ensure that systems are in place so that this failure is not repeated and future accounting changes can be implemented in good time.**

10. The accounts of the Department for Transport include those of its agencies.<sup>21</sup> The volume of expenditure of the Highways Agency is so great that a mistake in accounting there can have a significant impact on the accounts of the Department. The Agency's overspend contributed to the Department for Transport exceeding its resources for 2001-02.<sup>22</sup> **The accounting treatment of the Department and the agencies must be monitored carefully in future to ensure that mistakes in one or more agencies do not cause the accounts of the Department as a whole to be overspent. We look to the Accounting Officer of the Department, and to the Accounting Officers of the Department's Agencies, to ensure that the relationship between the Department and its agencies is close enough to avoid any repetition of this mistake.**

11. The Agency's decision to prepare its 2001-02 accounts using only a cash system contributed to misallocations between capital and revenue expenditure.<sup>23</sup> One example of

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15 'Resource budgeting and the 2000 Spending Review', July 2000, HM Treasury, paragraphs 4 and 12.

16 The Treasury stated other advantages as providing: a more accurate figure for depreciation; a more transparent split of capital and current spending; and, a better measure of the value of central government assets. Ibid, paragraphs 4 and 5.

17 There was a resource budgeting 'dry run' for departments in 1999, Resource budgeting and the 2000 Spending Review, paragraphs 6,7,8,11.

18 Highways Agency, Annual Report and Accounts, 2001-02, p 60.

19 Ibid, pp 62-63.

20 Q 6

21 The agencies are: Driving Standards Agency, Driver and Vehicle Licensing Agency, Highways Agency, Maritime & Coastguard Agency, Vehicle certification Agency, Vehicle Inspectorate.

22 Highways Agency, Annual Report and Accounts, 2001-02, p 60.

23 Ev 19; Highways Agency, Annual Report and Accounts, 2001-02, pp 61 – 63.

such misallocation was a grant to Essex County Council for a new 24 kilometre dual carriageway linking the M11 at Stansted with the A120 at Braintree.<sup>24</sup> This road is intended to be part of the Trans-European Network. The Secretary of State considered that it would be inappropriate for the local authority to bear the cost and met it by a providing a grant to the council.<sup>25</sup> The Agency told us that it was the intention of the Secretary of State that, on completion of the scheme, the full length of the A120 between the A12 and the M11 would become a trunk road and therefore its responsibility. Despite this, the Agency considered that ‘trunking’ was not so certain as to make accounting for the expenditure as capital ‘a safe accounting assumption’.<sup>26</sup> The Agency treated the costs as if they were a direct grant to the council and accounted for them as revenue expenditure. This assessment was later overturned by the National Audit Office. The Agency accepts that it should have relied on the policy of Ministers and the Department that trunking orders for the road would be made in 2004. It has reviewed the capital and resource classification of all significant and contentious schemes, and will ensure that for subsequent years’ accounts planned and actual spend is appropriately classified.

**12. The Highways Agency and the Department for Transport need to scrutinise the treatment of expenditure and assets much more carefully. Where a switch between revenue and capital budgets is required, the Agency must ensure that the change is reflected in a supplementary estimate. We expect the Department’s Accounting Officer to ensure that the systems currently in place provide adequate safeguards against any recurrence of this lamentable episode.**

## Winter maintenance

13. On Thursday and Friday, 30<sup>th</sup> and 31<sup>st</sup> January 2003, severe disruption was experienced to traffic flows on the trunk road network in Hertfordshire, Essex, Cambridgeshire and Bedfordshire as a result of the failure of network maintenance arrangements to cope with snow and ice.<sup>27</sup> The result was that roads were blocked, vehicles ground to a halt, and thousands of commuters were inconvenienced and endangered.<sup>28</sup>

14. Under current arrangements, the managing agents and maintenance contractors appointed by the Agency are responsible to it ‘for all winter maintenance activities on the trunk road and motorway network’.<sup>29</sup> Separate managing agents are appointed for each area of the network. The Meteorological Office supply weather forecast data direct to the agents ‘to consider in deciding whether or not to salt the network, and to what intensity’<sup>30</sup> The Agency issues all agents and contractors with an advisory code of practice, the ‘Trunk Road Maintenance Manual’.<sup>31</sup>

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24 Qq14,15, 17; Qq25, 26

25 Section 272, Highways Act 1980.

26 Ev 19

27 Ev 22. This part of the motorway and trunk road network covers Highways Agency maintenance areas 5, 6, and 8.

28 “Stranded in a winter blunderland: The forecasters warned of snow and freezing conditions, so who is to blame for the chaos on roads and railways?”, The Guardian, 1 February 2003.

29 Ev 22

30 Ibid

31 Ibid

15. The Agency accepts that ‘overall the weather forecasts on the 29<sup>th</sup> and 30<sup>th</sup> January were reasonably accurate’.<sup>32</sup> Snow was predicted for the morning of the 30<sup>th</sup> in the west of the region (M40) and London area, and in the east later in the day. Temperatures were forecast to fall below freezing by the early evening. The Agency told us that all agents were aware of the forecasts and ‘were on standby for salting’.<sup>33</sup> In the event, some areas experienced more snow than had been forecast. In addition, temperatures fell below freezing 4 1/2 hours earlier than previously forecast by the Meteorological Office, and the rate of fall was unusually fast.<sup>34</sup>

16. It is notable that different agents made different decisions about the action required in their areas. In most of the network affected by the severe weather, the Agency judged that the maintenance contractors had taken timely action to grit the network in response to the rapidly changing weather.<sup>35</sup> A main source of the overall difficulties lay in one area<sup>36</sup> which not only experienced ‘gridlock’ itself, but was a cause of ‘widespread disruption’ in the other areas.<sup>37</sup> By contrast with the other areas, early morning gritting on the 30<sup>th</sup> did not take place here, and the contractor – Carillion-URS – ‘held back, mindful of the above zero temperature forecast and high winds which blow salt from the road surfaces’.<sup>38</sup>

17. Consequently, salting there began only at 1pm on 30<sup>th</sup> January. This was too late to prevent chaos. Here gritting lorries were caught up in accidents and congestion, and the network was only partially salted.<sup>39</sup> The agents were aware of the changing weather position and the Agency accepts that ‘pre-salting runs should have been activated.’<sup>40</sup> Mr Matthews said that in interpreting the weather the Agency’s agents in that area had made a ‘defensible interpretation of the weather information they were given’, although he accepted that ‘In retrospect they were wrong’.<sup>41</sup> Mr Matthews accepted that if the roads had been gritted ‘almost certainly the problems would have been far less.’<sup>42</sup>

**18. It should be fundamental to the routine operating practice of the Highways Agency and its contractors that the day to day maintenance of the motorway and trunk road network is fully co-ordinated. The failure of a number of the Agency’s contractors to co-ordinate adequately during a period of extremely bad weather, over a large part of the country, was a very serious lapse. The Agency must take immediate steps to ensure that all agents have learned the lessons of this episode and understand the importance of full operational co-operation.**

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32 Ev 22

33 Ibid

34 Ev 23

35 Highways Agency, South East Region, Areas 5 and 6.

36 Highways Agency, Area 8 comprising, Buckinghamshire, Hertfordshire, Bedfordshire, Essex, Cambridgeshire, Northamptonshire, Leicestershire and Oxfordshire.

37 Ev 23

38 Ev 24

39 Q 58

40 Ev 23

41 Q 48

42 Q 79

19. **The Highways Agency appears not to have been directly involved in co-ordinating operations during the events which took place on the 30/31 January 2003. Matters were left to the agents contractually responsible to the Agency for winter maintenance. These arrangements manifestly did not work. The Agency needs to consider whether, in emergency circumstances such as those which occurred on 30 and 31 January, it should assume direct operational command and control.**

### Communications failure

20. Not only did Carillion-URS misjudge the action required to respond to the weather, but on the 30/31 January there was a breakdown in radio communications in the worst affected area between the central control facility of the agent and its gritter lorry fleet in the worst affected area.<sup>43</sup> In addition, the mobile telephone network also used by the agent and the gritter fleet was not working for much of the 30<sup>th</sup> January. We were told that the radios had broken down 4 days previously, that repairs had been requested, but that no action had been taken by the 30<sup>th</sup> despite the fact that the breakdown occurred at a period when the fleet was likely to be most necessary. The Agency was not informed of this at the time. The global positioning system was required to identify the position of individual lorries before any action to deploy the vehicles could be taken.

21. **The Committee finds it utterly astounding that repair procedures were apparently so slack that a breakdown in the radio communications between the contractor and his maintenance lorry fleet to persist for over four days at the most crucial time of the year. We are dismayed that the Highways Agency should have been unaware of this. The Agency and its contractors must take immediate steps to ensure that their communications systems are the best available; that where any breakdown in radio communications between operational staff and control centres occurs, repairs will be undertaken at once; and that robust, dedicated, standby communications systems are in place. We expect the Agency to be fully aware of all problems which may threaten the smooth operation of the network so that it can intervene if necessary.**

### Terminating contracts for poor performance

22. The Agency told us that it was able to choose maintenance contractors from a 'very keen market'.<sup>44</sup> Under present arrangements, where maintenance failings occur, the contractor is obliged to identify the causes and take corrective action. Failure to correct attracts penalty points on a sliding scale. However, the failure itself attracts no penalty points. Agency audits are normally conducted at 6 monthly intervals, although where the contractor has accumulated a high number of penalty points audits are more frequent.

23. The Agency may terminate a contract 'if the supplier has defaulted in one of the following ways *and* not put that default right within 4 weeks of the notification':

- Has substantially failed to comply with obligations
- Persistently or materially breached his quality promise made at tender; or

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43 Ev 24

44 Q 91

- Persistently or materially failed to meet the performance requirements<sup>45</sup>

24. Contracts for maintenance of motorways and trunk roads, particularly in a 'keen market', should reflect the high degree of freedom which the service buyer has to shop around. The current contract which the Agency has with its contractors does not appear to reflect this freedom. Currently, the Agency has 'no express right under the contract to terminate at will'.<sup>46</sup> In particular, it is unclear if a single failure on the part of a contractor, however extreme, would enable the Agency to sack the contractor immediately. We were also told that contractors were paid a 'lump sum fee' for winter maintenance work.<sup>47</sup> It is not apparent to us that a 'lump sum' payment for winter maintenance work is necessarily the best way to motivate the service provider to perform at the level of excellence required. Mr Matthews appeared equivocal on this point.<sup>48</sup>

25. In the case of the contractor responsible for the maintenance mistakes on the 30/31 January, the Highways Agency stated: 'In this case there is no positive financial action that the Agency can take against the contractor under the MAC [managing agent and contractor] contract. Penalty points would have been involved if the contractor had not responded. However they have in the Agency's view 'acted promptly to address the issues raised by the Audit review of the actions and events of 30/31 January.'<sup>49</sup>

**26. It is intolerable that the Highways Agency has no immediate financial sanction available where a contractor fails to keep the motorway and trunk roads system free of ice and open. The Agency's stated desire to work in positive partnership with its contractors is admirable.<sup>50</sup> This cannot substitute however for appropriate contractual sanctions to enforce high maintenance standards. Where these standards are not upheld, as happened on 30 and 31 January, it is the travelling public who pay an unacceptably heavy price. The Agency must review its contractual arrangements with maintenance agents urgently.**

**27. Where operational failures occur, appropriate financial penalties must be available to the Highways Agency; more significant operational failures should attract dismissal. The Agency must also review its practice of paying for maintenance on a 'lump sum' basis and consider whether this provides the best service incentive possible.**

### Information required by the Committee

28. When Mr Matthews appeared before the Committee on 5 March he was unable to provide us with all the information we sought, in particular about the contracts which the Highways Agency has with the agents and contractors responsible for network maintenance.<sup>51</sup> **The Committee was surprised that the Highways Agency's Chief Executive was unable to provide key information about the contracts his Agency has**

45 Ev 21

46 Ibid

47 Q 67; Ev 21

48 Q 69

49 Ev 20

50 Q 69

51 Qq 95, 103, 104, 108, 115, 116; see also on other points, Qq 125, 155, 168, 217.

**with maintenance contractors. The Committee expects that the senior staff of organisations giving evidence to it to appear properly briefed.**

29. The Committee asked Mr Matthews at the hearing to provide further information and sent a letter of confirmation on 18 March. The information requested was not complex and should have been provided quickly. On 27 March an article appeared in the *New Civil Engineer* magazine in which Mr Matthews was quoted as appearing to come to conclusions following an 'initial review' of the winter maintenance failures.<sup>52</sup> The Committee Chairman wrote to Mr Matthews on 3 April querying the article and pointing out that the Agency had undertaken to keep the Committee informed.<sup>53</sup> Mr Matthews assured us in a letter on 16 April that the article did not anticipate the Agency's response to the Committee and apologised for giving a misleading impression.<sup>54</sup> A further letter was sent to the Agency on 20 May. Despite Mr Matthews' expectation in his letter of 16 April that a response would be with the Committee 'within the next few days', it took the Agency until 21 May, a total of 11 weeks, to provide the information we required.<sup>55</sup> **The Highways Agency took far too long to respond to the Committee's request for additional information. The failure of the Agency to provide this information in a reasonable time has delayed our report. This is completely unacceptable. As we turn to the other Executive Agencies of the Department for Transport in the coming months, we shall expect a much higher standard of response from the Chief Executives; and a swifter response to requests for supplementary information to enable us to carry out our remit efficiently.**

30. Our inquiry indicated that the Agency is performing its function but revealed a number of shortcomings. On 10 September the Secretary of State told us that the Highways Agency would have a more active role in managing the strategic road network as well as infrastructure provision.<sup>56</sup> Problems in the Agency's current contractual arrangements with managing agents, a failure of operational communications and a failure to co-ordinate emergency operations, have been revealed. The ability of the Agency to increase its responsibilities and perform its core job of operating, maintaining and improving the trunk road and motorway network to an excellent standard depends on correcting these faults. We look to the new Chief Executive and his team to take the action required as a matter of urgency.

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52 Mark Hansford, 'Gritting firms are told to be on permanent standby', *New Civil Engineer*, 27 March 2003, page 8.

53 Ev 29

54 Ibid

55 Ev 19

56 HC 918-i Q 135

## Conclusions and recommendations

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### 2001-02 Overspend

1. It is completely unacceptable that the Highways Agency did not have proper accounting systems in place to cope with the change to resource accounting. The Agency had ample time to prepare fully. We expect the Chief Executive of the Agency, as the Accounting Officer responsible, to ensure that systems are in place so that this failure is not repeated and future accounting changes can be implemented in good time. (Paragraph 9)
2. The accounting treatment of the Department and the agencies must be monitored carefully in future to ensure that mistakes in one or more agencies do not cause the accounts of the Department as a whole to be overspent. We look to the Accounting Officer of the Department, and to the Accounting Officers of the Department's Agencies, to ensure that the relationship between the Department and its agencies is close enough to avoid any repetition of this mistake. (Paragraph 10)
3. The Highways Agency and the Department for Transport need to scrutinise the treatment of expenditure and assets much more carefully. Where a switch between revenue and capital budgets is required, the Agency must ensure that the change is reflected in a supplementary estimate. We expect the Department's Accounting Officer to ensure that the systems currently in place provide adequate safeguards against any recurrence of this lamentable episode. (Paragraph 12)

### Winter maintenance

4. It should be fundamental to the routine operating practice of the Highways Agency and its contractors that the day to day maintenance of the motorway and trunk road network is fully co-ordinated. The failure of a number of the Agency's contractors to co-ordinate adequately during a period of extremely bad weather, over a large part of the country, was a very serious lapse. The Agency must take immediate steps to ensure that all agents have learned the lessons of this episode and understand the importance of full operational co-operation. (Paragraph 18)
5. The Highways Agency appears not to have been directly involved in co-ordinating operations during the events which took place on the 30/31 January 2003. Matters were left to the agents contractually responsible to the Agency for winter maintenance. These arrangements manifestly did not work. The Agency needs to consider whether, in emergency circumstances such as those which occurred on 30 and 31 January, it should assume direct operational command and control. (Paragraph 19)

### Communications failure

6. The Committee finds it utterly astounding that repair procedures were apparently so slack that a breakdown in the radio communications between the contractor and his maintenance lorry fleet to persist for over four days at the most crucial time of the

year. We are dismayed that the Highways Agency should have been unaware of this. The Agency and its contractors must take immediate steps to ensure that their communications systems are the best available; that where any breakdown in radio communications between operational staff and control centres occurs, repairs will be undertaken at once; and that robust, dedicated, standby communications systems are in place. We expect the Agency to be fully aware of all problems which may threaten the smooth operation of the network so that it can intervene if necessary. (Paragraph 21)

### **Terminating contracts for poor performance**

7. It is intolerable that the Highways Agency has no immediate financial sanction available where a contractor fails to keep the motorway and trunk roads system free of ice and open. The Agency's stated desire to work in positive partnership with its contractors is admirable. This cannot substitute however for appropriate contractual sanctions to enforce high maintenance standards. Where these standards are not upheld, as happened on 30 and 31 January, it is the travelling public who pay an unacceptably heavy price. The Agency must review its contractual arrangements with maintenance agents urgently. (Paragraph 26)
8. Where operational failures occur, appropriate financial penalties must be available to the Highways Agency; more significant operational failures should attract dismissal. The Agency must also review its practice of paying for maintenance on a 'lump sum' basis and consider whether this provides the best service incentive possible. (Paragraph 27)

### **Information required by the Committee**

9. The Committee was surprised that the Highways Agency's Chief Executive was unable to provide key information about the contracts his Agency has with maintenance contractors. The Committee expects that the senior staff of organisations giving evidence to it to appear properly briefed. (Paragraph 28)
10. The Highways Agency took far too long to respond to the Committee's request for additional information. The failure of the Agency to provide this information in a reasonable time has delayed our report. This is completely unacceptable. As we turn to the other Executive Agencies of the Department for Transport in the coming months, we shall expect a much higher standard of response from the Chief Executives; and a swifter response to requests for supplementary information to enable us to carry out our remit efficiently. (Paragraph 29)
11. Our inquiry indicated that the Agency is performing its function but revealed a number of shortcomings. On 10 September the Secretary of State told us that the Highways Agency would have a more active role in managing the strategic road network as well as infrastructure provision. Problems in the Agency's current contractual arrangements with managing agents, a failure of operational communications and a failure to co-ordinate emergency operations, have been revealed. The ability of the Agency to increase its responsibilities and perform its core job of operating, maintaining and improving the trunk road and motorway

network to an excellent standard depends on correcting these faults. We look to the new Chief Executive and his team to take the action required as a matter of urgency. (Paragraph 30)

## Formal Minutes

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*The following Declarations of Interest were made:*

Mrs Gwyneth Dunwoody, Member of the Associated Society of Locomotive Engineers and Firemen

Mr Brian H Donohoe, Clive Efford, Mrs Louise Ellman and Mr George Stevenson, Members of the Transport and General Workers' Union

Mr Ian Lucas and Mr Graham Stringer, Members of Amicus-MSF.

### Wednesday 17 September 2003

Members present:

Mrs Gwyneth Dunwoody, in the Chair

Mr Brian H Donohoe

Mr John Randall

Mr Clive Efford

Mr George Stevenson

Mrs Louise Ellman

The Committee deliberated.

Draft Report (*The Work of the Highways Agency*), proposed by the Chairman, brought up and read.

*Ordered*, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 30 read and agreed to.

*Resolved*, That the Report, as amended, be the Eighth Report of the Committee to the House.

*Ordered*, That the Chairman do make the Report to the House.—(*The Chairman.*)

*Ordered*, That the provisions of Standing Order No. 134 (Select Committee (reports)) be applied to the Report.

*Ordered*, That the Appendices to the Minutes of Evidence be taken before the Committee be reported to the House.

[Adjourned till Wednesday 15 October at half past Two o'clock.

# Witnesses

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## Wednesday 5 March 2003

**Mr Tim Matthews**, Chief Executive, Highways Agency

Ev 1

## List of written evidence

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FTA	Ev 17
Supplementary notes to questions by the Highways Agency	Ev 19
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Supplementary note, RAC Motoring Services	Ev 28
Letter of the Chairman of the Committee to the Chief Executive of the Highways Agency and reply	Ev 29

## Reports from the Transport Committee since 2001

### Session 2002–03

First Special Report	Government and Office of Fair Trading Responses to the Seventeenth Report of the Transport, Local Government and the Regions Committee, The Bus Industry	HC 97
First Report	Urban Charging Schemes	HC 390-I
Second Report	Transport Committee: Annual Report 2002	HC 410
Third Report	Jam Tomorrow?: The Multi Modal Study Investment Plans	HC 38-I
Fourth Report	Railways in the North of England	HC 782-I
Fifth Report	Local Roads and Pathways	HC 407-I
Sixth Report	Aviation	HC 454-I
Seventh Report	Overcrowding on Public Transport	HC 201-I

### Session 2001–02

First Special Report	Government Response to the First Special Report of the Transport, Local Government and the Regions Committee of Session 2001–02, The Attendance of a Minister from HM Treasury before the Transport, Local Government and the Regions Committee	HC 1241
Second Special Report	Government Response to the Fifth Report of the Transport, Local Government and the Regions Committee of Session 2001-02, European Transport White Paper	HC 1285
Third Special Report	Government Response to the Eighteenth Report of the Transport, Local Government and the Regions Committee of Session 2001-02, National Air Traffic Services' Finances	HC 1305