

Measurement template

Field	Notes
Short title	Cost of operating the Highways Agency's motorway and A road network per vehicle mile.
Technical definition	Cost of operation extracted from the Highways Agency management accounts in line with the guidance set out below, which will be converted into a unit cost by dividing by the number of vehicle miles on the Highways Agency network.
Rationale	This measure provides an indication on whether the operating cost of the motorway and A road network is reducing or increasing when compared to usage of the network.
Formula	<p>Cost of operating the strategic motorway and A road network per vehicle mile = $\frac{\text{Operating Costs}}{\text{No. of vehicle miles}}$</p> <p>Operating Costs derived from the Highways Agency Management Accounts are:</p> <ul style="list-style-type: none"> • Traffic Officer Service expenditure • A proportion of the PFI/DBFO Service Payments calculated from contract data • A proportion of the Managing Agent Contractor's Routine and Winter Maintenance expenditure • All centrally procured electricity costs <p>Notes:</p> <p>a) Operating costs are based on HA assessment</p> <p>b) Cost of Operating per vehicle mile will be presented per million vehicle miles</p> <p>c) Routine and Winter Maintenance expenditure is combined and reported as 'Current Maintenance'</p> <p>d) The no. of vehicle miles is derived from data in the Highways Agency Traffic Information System (HATRIS) database</p> <p><u>Example (illustrative)</u></p> <p>Operating costs in 10-11 = £263m</p>

	<p>No. of vehicle miles on HA network in 10-11 = 80.4 billion</p> <p>Cost of operating the HA motorway & A road network per million vehicle miles in 10-11 =</p> $\frac{\text{£}263,000,000 \times 1,000,000}{80,400,000,000}$ <p>= £3,271 per million vehicle miles</p>
Start date	April 2011
Latest data	Data for 2011-12 were published in July 2012.
Performance	The public should be looking for the indicator to reduce over time in real terms (i.e. after adjusting for inflation).
Behavioural impact	<p>Collecting the data should encourage behaviours to reduce costs although the following factors are also relevant:</p> <ol style="list-style-type: none"> 1. The indicator will be strongly impacted by traffic volumes which are not controllable by the Highways Agency. 2. Operational costs generally do not directly vary with usage so the headline indicator will not necessary reflect what has happened to overall operating costs. 3. There is a risk of perverse behaviours to reduce costs at the expense of operating the roads network efficiently and minimising congestion.
Comparability	This is not a recognised standard indicator that can be used to provide a comparison between other countries or road authorities. Similar indicators might be available but there is no consistent agreed definition of costs / cost allocations.
Collection frequency	Data collected on an annual basis.
Time lag	Around 2 months following end of financial year.
Data source	HA accounting system (Oracle) and HATRIS.
Type of data	Management information.

Robustness and data limitations	<p>Independent financial audit of Highways Agency accounts by National Audit Office annually. Internal validation by Internal Audit of business plan indicators.</p> <p>Quality of traffic volume data will be limited by the accuracy of the recording system.</p>
Collecting organisation	Highways Agency
Return format	£s per million vehicle miles per year
Geographical coverage	England
How indicator can be broken down	Highways Agency Regions
Further guidance	None