

Economic Role of National Highways

Role 4: Social Value and Prosperity



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1. Introduction

National Highways acts as a catalyst for growing social value and boosting prosperity across communities and places in England, supporting change, innovation, and the creation of new skills within our sector.

Together the three core economic roles¹ of National Highways and the SRN generate widespread social value and boost prosperity by supporting employment growth and business investment across England.

As an employer, procurer, and investor, we make a direct and positive impact on thousands of employees, businesses, and the communities they come from. Together with our extensive supply chain, we are a catalyst for delivering benefits for people, the environment and the economy. Driving social and economic value, we have a focus on skills, equality, diversity and inclusion and on technological innovation.

As a major player in the transport sector, we lead by example and work collaboratively with our supply chain to drive value in the industry, build expertise and skills, engage with communities and share the benefits of our investment in innovation initiatives.

The efforts of National Highways in creating social value and supporting prosperity is focused on four key areas which are largely defined by discrete groups of people:

1. Customers of the SRN².
2. Our employees.
3. Our supply chain.
4. Leading by example for the wider community.

¹ SRN reliant sectors; strategic connectivity and planning and placemaking.

² [National Highways Customer Service Plan 2022-23](#)

2. Creating social value & prosperity for users of the SRN

The SRN is used by a diverse range of people and businesses. Consequently, we have the capacity to direct our investment in the SRN to support disadvantaged and prioritised groups through:

- Providing safe, reliable and efficient access for people to jobs and education and training.
- Enabling jobs to be created and sustained in sectors which rely on the SRN.
- Enabling area-based regeneration and employment-generating development in key locations.
- Targeting relevant aspects of our spending on specific groups in society.

In addition to supporting social value and prosperity through the facilitation of road reliant economic activities, providing access to jobs, and enabling trade, the SRN enables people to access social, cultural and recreational opportunities. People travel to visit friends and family, attend events, explore tourist destinations, and engage in leisure activities. The SRN provides a critical means by which people can meet their need for social interaction, entertainment, and personal enrichment.

Collectively, sectors that rely on the SRN for their day-to-day operations generate £410 billion GVA per annum, supporting 7.6 million jobs. By 2050 this is projected to reach £578 billion GVA and 8 million jobs. With the SRN supporting such a scale of economic prosperity across the country, the benefits accrue amongst a diverse range of places and their local communities.

3. Delivering social value for our employees

With a total workforce of 7,004 (of which 96% are permanent), we are a major employer creating and safeguarding jobs in all regions of England and amongst diverse communities³. The majority of National Highways jobs (84%) are provided outside London and the South-East. Accordingly, our role as an employer makes a significant contribution to achieving Levelling Up objectives. Indeed, the majority (46%) of employees are based in Level 1 priority areas for levelling up funds, directly contributing £156m GVA per year to the economic prosperity of these areas⁴. Set out by the Government⁵, local authorities categorised as Level 1 priority areas are based on an index determined by a range of key socio-economic indicators which reflect their need for Levelling Up and investment⁶.

Annually, we invest £4.6 million in learning and development to boost the skills of our staff and deliver benefits to the wider sector. The diversity of career routes we offer mirrors the diversity of our teams and our work to be an inclusive employer. We operate to ensure that our teams match the diversity of our customer base and users of the SRN.

³ As of December 2023.

⁴ Economic Impact of National Highways, Aecom 2021.

⁵ [Levelling Up Fund Round 2: index update note - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/levelling-up-fund-round-2-index-update-note)

⁶ Indicators include productivity, skills, unemployment, journey times to employment centres and commercial / dwelling vacancy rates.

Our Social Value Plan 2022-24 establishes Equality, Diversity and Inclusion (EDI) as a core pillar of our operation. With our dedicated EDI team, we are building an inclusive culture that encourages, supports, and celebrates diversity, internally and externally. We open opportunities to create a more equal society and a more inclusive and accessible road network for all.

The four pillars of National Highways Social Value Plan 2022-24

Economic prosperity 	Investing in new skills, jobs, supply chains and delivering improvements in every region across England.
Improving the environment 	Making sustainable decisions that conserve natural resources and enhance ecosystems.
Community wellbeing 	Addressing health-related issues and improving connectivity, amenities, education and heritage programmes for communities.
Equality, diversity and inclusion 	Supporting the creation of a more equal society by increasing opportunities for under-represented groups and providing a road network that is accessible for all.

We focus on contributing to employment and opportunities for women, ethnic minorities, the long-term unemployed, veterans, people with disabilities, the LGBTQ+ community, care givers, school leavers, young people not engaged in education, employment or training, ex-offenders, the homeless, maternity returners, new to industry and flexible workers.

We offer a range of apprenticeship programmes across the country – all designed to give the skills and experience to grow a career with us. We have a range of apprenticeship programmes on offer across various specialisms, including Project Management, Business Administration, Chartered Legal Executive, Quantity Surveyor and Data Analysis. Each year we recruit a cohort of c. 60 apprentices.⁷

⁷ https://nationalhighways.co.uk/media/mjzibdr/cre22_0102-srn-initial-report-2025-2030_vn.pdf

We continue to develop our EDI networks, such as our Leading Women network, EMBRACE, Early Talent Network, and initiatives such as our Returners programme, which helps us attract new people, nurturing the creation of a diverse workforce. This has been recognised by the Employers Network for Equality & Inclusion, Working Mums and Mumsnet, and has a 95% retention rate into permanent roles.

Case Study – Gender Inclusion

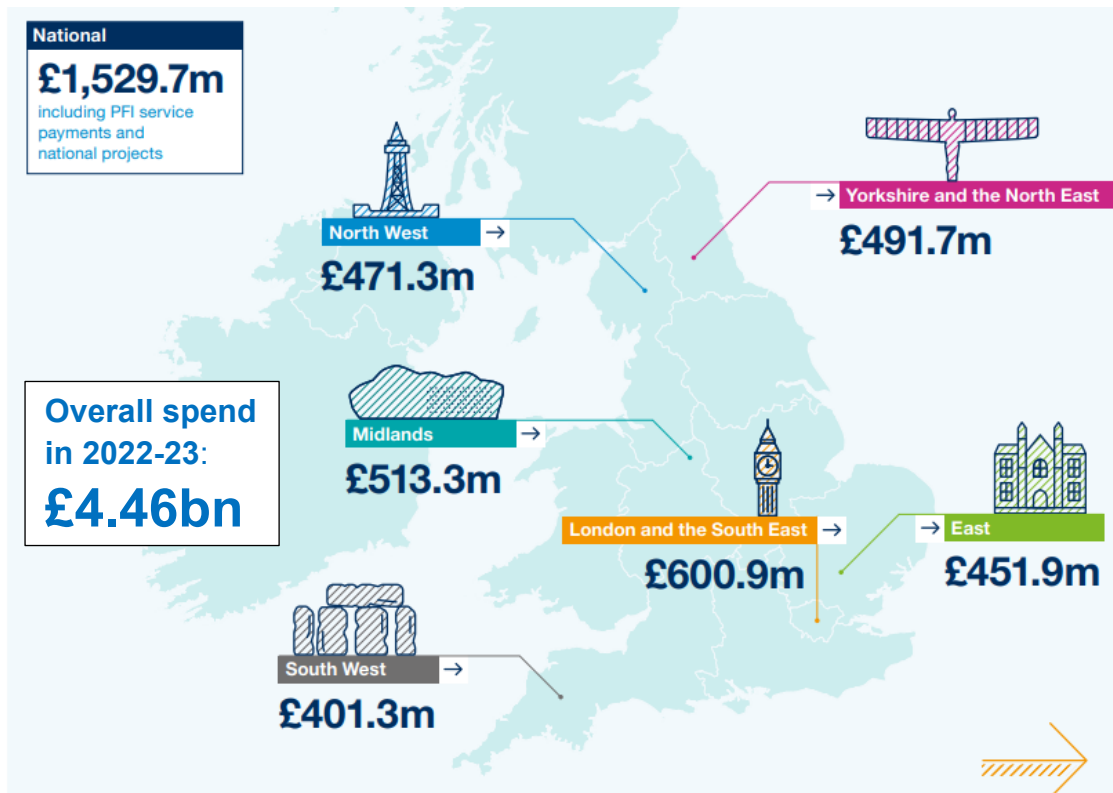
We prioritise gender diversity within our organisation, with a balanced representation of male and female members on our Board (50:50) and a slightly higher male representation on our Executive team (70:30). We take pride in having female role models in various leadership positions, including senior leadership, the Executive team, and the Board. Our goal is to foster a workplace where women are empowered to advance in their careers and serve as role models for others interested in joining our sector.

Moreover, we directly support greater gender inclusion amongst some of our major users and customers. For example, as part of our Users and Communities Fund, we have allocated £20 million for security and improved amenities for HGV drivers encouraging women to enter the HGV labour market – building on the raft of measures we've already taken to support the industry.⁸

⁸ <https://nationalhighways.co.uk/our-roads/boost-for-roadside-facilities/>

4. Nurturing social value through our supply chain

As one of the country's most important capital assets, the 4,500 miles of SRN is valued at £156 billion. Keeping the SRN safe, reliable, and efficient and the need to maintain and renew the asset requires huge annual investment, most of which is delivered through our substantial supply chain. Amounting to approximately £4.4 billion each year, our investment in the SRN supply chain represents enormous spending power to deliver social value and prosperity across the English regions and their communities. Our supply chain spend supports around 64,000 jobs in the construction industry, accounting for 5% of all construction employment in England in 2022. Many of these jobs are created in small businesses which is facilitated by our procurement process which aims to maximise opportunities for SMEs. For example, nearly a quarter of our £3.6 billion Scheme Delivery Framework for renewals has been awarded to SMEs which in turn drives investment in skills, apprenticeships, and jobs across England. During the first RIS 765 apprenticeships were provided across 40 business areas⁹.



We support and encourage small firms to be part of our supply chain through open days on working with us and our prime suppliers. We do the simple things right – in 2020-21 we processed 229,000 supplier invoices with 97% of these paid on prompt terms. In September 2021, we launched the Scheme Delivery Framework to carry out up to £3.6 billion of renewals and to target the inclusion of a diverse pool of suppliers of all sizes to work directly with us, especially by ensuring our contracts are accessible to smaller and more regional companies.

⁹ <https://committees.parliament.uk/writtenevidence/22534/html/>

The framework has appointed 50 suppliers, and approximately 23% of the overall framework value has been awarded to SMEs. This has helped create a secure pipeline of work and increase innovation. Social value is integrated throughout our procurement process, and suppliers will be measured on their social contribution and impact within each region. This diversification of the procurement process led to £720 million being added to local UK businesses, creating jobs and helping regions recover from Covid-19.

We are working across the sector with the Strategic Transport Apprenticeship Taskforce to support delivery of the commitments in Government's Transport infrastructure skills strategy. The scale of our investment portfolio and its longevity mean that we can provide confidence and visibility of a long-term programme of works which will encourage our suppliers to invest in jobs and skills. We have encouraged our supply chain to create apprenticeship opportunities through contractual requirements.

Case Study: Supporting local job creation and entrepreneurship on the A14

The new A14 Cambridge to Huntingdon scheme supported the creation of 7,909 full-time equivalent (FTE) jobs amongst supply chain businesses.

The scheme was specifically designed to support the growth of the economy. However, we also asked our lead contractor to source local companies to work on the scheme. K2 Recovery, based in Kettering, was appointed to provide free recovery for breakdowns and incidents along the route. Thanks to this contract, the company was able to increase its fleet from 10 to 60 vehicles, creating more jobs for local people.

“When this opportunity arose, we didn’t think we’d be successful because of the size of the contract and the size we were at the time. But we went for it, gave it our best shot and here we are! National Highways and the A14 team helped us get our brand out there and that’s probably the main thing for us.”

David Brown, Company Director, K2 Recovery



5. Leading by example

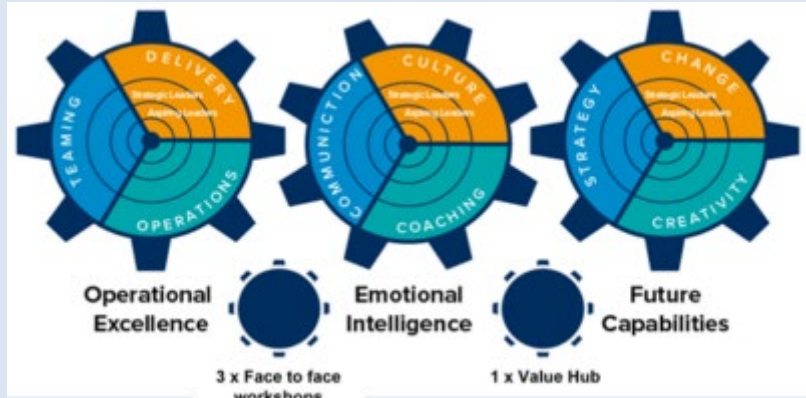
We work in partnership with our supply chain on wider sector initiatives to drive value in our industry and act to build expertise, engage with the community, collaborate across the transport sector, and to ensure trust by being authentic and consistent in how we operate.

The values we hold as an employer and an agent of Government on sustainable development and social value can be used to shape the future of the transport sector in terms of the creation of jobs and development of skills through our role as an employer, a customer, a partner and a sector leader.

We work collaboratively with local authorities and other policy makers to improve access to jobs, training, leisure and social activities and together develop strategies that meet the evolving mobility needs of communities.

Case Study: Roads Academy

Our Roads Academy, a collaborative learning initiative led by National Highways and 57 supply chain partners, plays a crucial role in developing leadership and capabilities within the sector. This comprehensive programme addresses industry-wide challenges and facilitates the necessary changes to overcome them. We are proud to report that 44% of the learners in the Academy from National Highways over the past year were female.



Case Study: Designated technology fund¹⁰

Through our Innovation and Modernisation designated fund, we have invested more than £100m in innovation initiatives to improve safety, journeys and drive the economy. The influence of technology is being felt across the transport sector. Electric cars, innovation in autonomous vehicles, intelligent data-led operations and digital services for road users are just a taste of what the future holds. With this fund, we'll research and develop emerging technologies which have the potential to revolutionise what it means to travel on

¹⁰ <https://nationalhighways.co.uk/media/lh2ll0ao/designated-funds-plan-2020-2025.pdf>

our roads. We'll also use this fund to produce new requirements and guidance for proven concepts, enabling the widespread adoption of innovations to modernise our network.

We are upskilling our employees to work on the most advanced highways management technologies to provide a technology-enabled network including charging infrastructure.

6. Future Priorities

At National Highways we intend to develop our sector leadership further by:

Evidencing – National Highways will evidence the impact of our investment on communities and social value.

Collaborating – National Highways will work with our partners and supply chain to offer apprenticeships, training and skills opportunities.

Operating - National Highways will directly contribute to economic growth including our suppliers, local spend, new businesses, small-to-medium-size enterprises, micro, voluntary, charitable and social enterprises/mutuals.

Investing - National Highways will improve productivity by investing in the SRN

Catalysing - National Highways will continue to support SME's and upskilling to support the sector and wider economy.

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