

**CABINET – 15 SEPTEMBER 2017****PERMIT SCHEME FOR STREET WORKS AND ROAD WORKS****REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT****PART A****Purpose of the Report**

1. The purpose of this report is to advise the Cabinet of the results of a consultation exercise undertaken on the draft Leicestershire County Council Permit Scheme for street works and road works and to seek approval of the final version of the Scheme for implementation.

Recommendations

2. It is recommended that:
 - a) The Leicestershire County Council Permit Scheme as detailed in Appendix A and B be approved for implementation from the 1st November 2017;
 - b) The Director of Environment and Transport, following consultation with the Cabinet Lead Member, be authorised to implement and oversee the on-going management, and to make minor changes to the Permit Scheme as he considers appropriate.

Reasons for Recommendations

3. To enable the County Council to introduce a Permit Scheme to better manage activities on the public highway and improve the County Council's ability to minimise disruption to highway users from street and road works.
4. To help fulfil the Authority's statutory network management duty under the Traffic Management Act (TMA) 2004 to ensure the expeditious movement of traffic.
5. Updating the County Council's approach to managing street and road works will support the delivery of the savings identified in the Medium Term Financial Strategy (MTFS) by replacing the current New Roads and Street Works noticing system with a Permit Scheme, which enables the County Council to recover all associated costs.

Timetable for Decisions (including Scrutiny)

6. This report was considered by the Environment and Transport Overview and Scrutiny Committee on 7 September 2017 and its comments will be reported to the Cabinet.
7. Subject to the Cabinet's approval the Leicestershire County Council Permit Scheme

will be introduced from November 2017.

Policy Framework and Previous Decisions

8. The Permit Scheme has been developed under the powers provided in Part 3 of the TMA, the Traffic Management Permit Scheme (England) Regulations 2007 and the Traffic Management Permit Scheme (England) (Amendment) Regulations 2015.
9. The Environment and Transport Interim Commissioning Strategy Action Plan approved by the Cabinet on 10 March 2017 contained various strategic priorities and outcomes linked to the County Council's Strategic Plan, and included actions to develop and implement a Permit Scheme for road and street works which will contribute to the delivery of such priorities and outcomes.

Resource Implications

10. The Permit Scheme will support the efficiency savings required from the MTFS and the corporate transformation process, by allowing the County Council to recover all associated costs.
11. As part of the Permit Scheme a fee matrix produced by the Department for Transport (DfT) has been used, which calculates the charge for each type of permit to be paid by companies undertaking work on the public highway. Such fees cover the costs and overheads of setting up and administering the Permit Scheme, including the additional costs of staffing, IT and other resources, over and above the current costs of operating the existing Noticing Regime.
12. Compliance with a permit scheme will bring some additional costs for the County Council as the Council will also have to prepare and apply for permits to undertake its own highway works. These costs will be mitigated by the implementation of appropriate systems and management processes.

Circulation under the Local Issues Alert Procedure

13. None.

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PART B

Background

14. Works on the highway network can cause disruption, delays and potential risks both to highway users and the highway asset. The majority of these works are undertaken by utility companies (street works) and the highway authority or developers (road works). To try and reduce the impact that these works have on road users, businesses and the local/national economy the Government introduced the Traffic Management Act (TMA) 2004 which aims to encourage highway authorities and utility companies to better co-ordinate works so as to minimise disruption and protect highway infrastructure. One of the key mechanisms provided within the TMA is to allow highway authorities to introduce a Permit Scheme for authorising and controlling street works and road works. This means anybody carrying out works on the highway is required to apply for and obtain a permit from the highway authority prior to carrying out the works. The only exception to this relates to emergency situations.
15. Currently utility companies working on the highway network are legally required by the New Roads and Street Works Act 1991 (NRSWA) to serve notice on the highway authority before starting works. The Council provides NRSWA notices on a range of its own major highway works to assist in works co-ordination and to reserve road space, with a view to minimising delay and disruption to highway users.
16. Currently 15,000 notices are received from statutory undertakers where no administrative processing fee can be charged. Under the new Scheme this will equate to an estimated 19,500 permits that are likely to be issued and for which a fee can be charged. Highway works are likely to generate an additional 19,000 permits (approximately).

Permit Scheme overview

17. The introduction of a Permit Scheme (details of which are contained in Appendices A and B attached to this report) will be a key element of the County Council's future approach to managing the highway network. Its aim is to improve the management of the road network through the better planning, scheduling and management of works, and therefore to minimise disruption to road users. Achieving this aim will help the County Council in meeting its network management duty under the TMA 2004, i.e. to ensure the expeditious movement of traffic, as far as reasonably practicable.
18. It is essential that all parties involved in the proposed Permit Scheme take both the Permit Scheme objectives and the broader TMA objective of expediting the movement of traffic into account, and adhere to the following five key principles of the permit regulations:
 - i. Although the scheme will give the County Council greater influence over how and when activities are carried out, it is for activity promoters (i.e. those organisations responsible for carrying out the work) to fully consider the impact of their works and adequately mitigate any adverse impacts before they are implemented. As such, the prime responsibility for planning, supervising and carrying out individual activities falls on the activity promoter;
 - ii. The Permit Scheme is not intended to prevent activities necessary for the

maintenance and improvement of the road network or the services running underneath it or to adjacent buildings, but to help the County Council manage appropriately the balance between the potentially conflicting interests of road users and activity promoters and their customers;

- iii. The importance of close co-operation and liaison between the County Council as the Permit Authority and activity promoters;
- iv. Acknowledgement that activity programmes and practices may have to be adjusted to ensure that the statutory objectives of the co-ordination provisions are achieved;
- v. The provision of timely, clear, accurate and complete information between activity promoters and the County Council as the Permit Authority.

Objectives

19. The specific objectives for the Permit Scheme are as follows:

- To minimise disruption and inconvenience across the County by encouraging good practice, mutual and collaborative working arrangements, and a focus on coordination.
- To optimise the duration of activities and reduce unnecessary occupation of the network.
- To allow activity promoters the necessary time and space to complete their work safely and expediently.
- To provide a common framework for all activity promoters who need to carry out their works in the County.
- To establish consistency in working practices across the County and ensure parity of treatment for all promoters of activities covered by the Scheme, particularly between statutory undertakers and highway authority works and activities.
- To promote early engagement between activity promoters and the County Council, and encourage forward planning and visibility of long term programmes to ensure works are designed and planned to minimise their adverse impact on all road users, and to allow the County Council to make early informed risk based decisions with regards to the co-ordination and management of works on the highway (risks around when, how and where the works take place).
- To work with all activity promoters to improve the quality and timeliness of information to road users about planned works and those being undertaken and to explore innovative ways of working.
- To emphasise the need to minimise damage to the structure of the highway and all apparatus contained therein.

20. Implementation of the Permit Scheme will also contribute to the delivery of the following strategic priorities/ outcomes identified in the Environment and Transport

Interim Commissioning Strategy Action Plan which are linked to priorities contained in the County Council's Strategic Plan :

- a. The Authority's transport system and assets are effectively managed and well maintained.
- b. More consistent, predictable and reliable journey times for the movement of people and goods.

What will be different under a Permit Scheme

21. The fundamental difference between notices and permits are:-

- a. Under the current noticing regime the utility companies tell the County Council 'when, how and why' they are working on the highway. No charge is applied. However, there is a cost to the County Council for processing each notice.

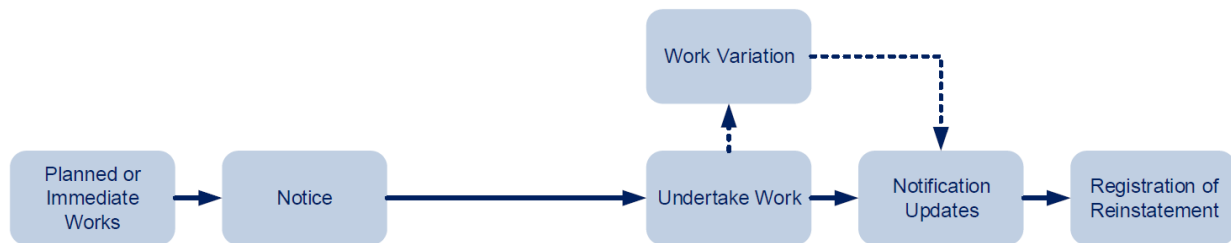


Fig.1 Current Noticing Process

- b. Under a permit scheme utility companies would have to obtain a permit from the highway authority before starting work. Conditions can then be applied to the 'when and how' elements of the works. A charge would be applied for each permit application.

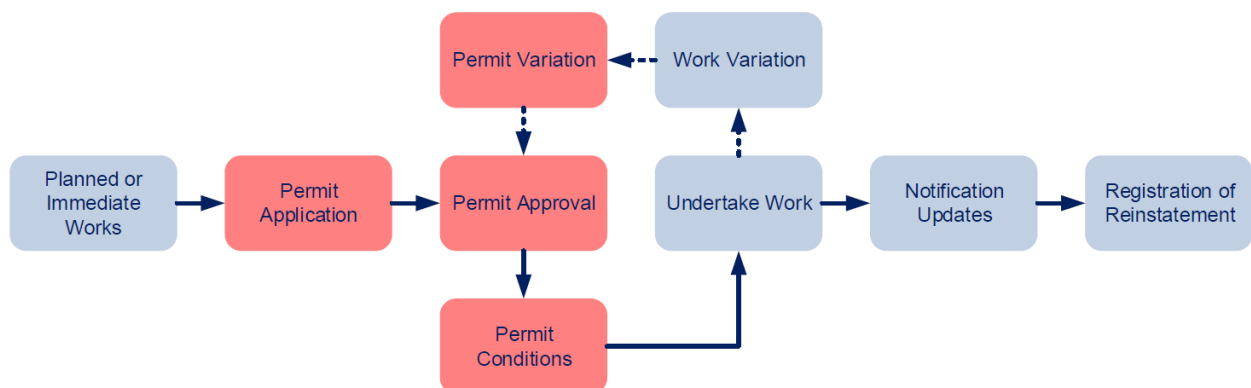


Fig.2 Permit Scheme Application Process

- c. Anyone carrying out road and street works will need to apply for a permit in advance of works (excluding emergencies). This includes works undertaken by and on behalf of the County Council. The application timescales will vary, dependent on the type of work and the type of road. (See section 6.1 and page 28 of Appendix A for details.)

- d. A fee is payable for each approved permit application and any subsequent variation. The fee payable is dependent on the nature and location of the works (category of road / traffic sensitive times). The permit fee would not be payable for the County Council's own works.
 - e. A permit scheme will allow the County Council to set conditions on each permit, with the aim of minimising disruption and protecting the highway asset. This would provide the County Council with more control over the timing and duration of works, the way in which they are undertaken and greater opportunity to publicise works.
 - f. A permit scheme carries with it much bigger penalties for non-compliance than the current noticing regime. As with the current noticing regime offences can be dealt with by Fixed Penalty Notices (FPN's), but they would carry a higher charge. The FPN charges are paid directly to the County Council and used for the administration of the process. For schemes promoted by the County Council, FPN will be recorded and reported but not charged.
22. Other highway authorities have implemented permit schemes, either individually or jointly with neighbouring authorities and experience has shown that such schemes reduce delays and minimise the impact that road and street works have on local businesses, residents and bus passengers. This would be achieved by a reduction in the number of works, minimising road space occupied, and reducing the duration of works undertaken through better work planning and communication.
23. Improved co-ordination of activities through the Permit Scheme will enable differences between those competing for space or time in the street, including traffic, to be resolved in a positive and constructive way.

Finance

24. The estimated annual permit fee income for Leicestershire is £940,000. This will cover the estimated annual cost for operating the Scheme for utility works, which includes full staff costs, IT hardware, IT software and any other relevant overheads. A fee matrix produced by the DfT has been used, which calculates the charge for each type of permit. The permit fees calculated are detailed in Appendix B.
25. A detailed breakdown of the estimated costs and benefits of operating a Permit Scheme in Leicestershire has been carried out in accordance with DfT guidelines which indicate that the Permit Scheme is estimated to give a benefit to cost factor of 3.66 to 1.
26. Adjustments to the permit fees may be made in subsequent years to offset any surplus or deficit and such changes will be made under the Directors delegated authorities for setting fees and charges. It is not intended that the permit scheme should produce surplus revenue.

Risk Management

27. The workload of the utility companies could reduce in the future and this would impact on the income generated from the Scheme. However, the Scheme has been modelled on the most up-to-date information and the financial and operational aspects of the

Scheme will be reviewed each year.

Consultations

28. An 8 week consultation with those bodies listed below was undertaken on the proposed Permit Scheme in accordance with the Permit Scheme Regulations. This concluded on 4th June 2017. The consultation was made available on the County Council's website, with an email sent to the consultees directing them to the online questionnaire. The consultation focussed on the compliance, technical and operational aspects of the proposed Permit Scheme.

29. The bodies consulted were:-

- Statutory Undertakers and activity promoters that operate within Leicestershire
- Neighbouring Authorities, District and Parish Councils
- Emergency Services
- Secretary of State for Transport

30. The Council received 8 responses to the consultation. As required by the Regulations, each response received has been acknowledged and a formal response provided. These responses will be published with the final Permit Scheme.

31. The responses received were in relation to the operational aspects of the Permit Scheme and where necessary the Scheme has been amended to ensure compliance with the Permit Scheme Regulations. In certain instances an officer response has been provided explaining the County Council's decision not to amend a specific element of the Permit Scheme.

Background Papers

Report to Cabinet - 10 March 2017 – Environment and Transport Interim Commissioning Strategy 2017/18 Refresh

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=4859&Ver=4>

Appendices

Appendix A - Leicestershire County Council Permit Scheme

Appendix B - Supporting Document for Permit Scheme

Equality and Human Rights Implications

32. An Equality and Human Rights Impact Assessment (EHRIA) has been undertaken and identified that a full assessment is not required. There are no Equality and Human Rights Implications arising from this report.

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