

<b>Title of Report:</b>	<b>Introduction of West Berkshire Streetworks Permit Scheme</b>
<b>Report to be considered by:</b>	Executive
<b>Date of Meeting:</b>	19 June 2014
<b>Forward Plan Ref:</b>	EX2828

**Purpose of Report:** To set out the process and seek approval to proceed towards implementation of a Streetworks Permit Scheme.

**Recommended Action:** That the Executive approve the report and delegate authority to the Head of Highways and Transport to make application to the Department for Transport to join the South-East Permit Scheme.

**Reason for decision to be taken:** To enable application to be made.

**Other options considered:** Remain with existing 'Noticing' system.

**Key background documentation:** New Roads and Street Works Act 1991  
Traffic Management Act 2004  
Code of Practice for Permits 2008

The proposals contained in this report will help to achieve the following Council Strategy priority:

**CSP2 – Promoting a vibrant district**

The proposals contained in this report will help to achieve the above Council Strategy priority by:  
Ensuring that the appropriate process for dealing with permits is in place.

<b>Portfolio Member Details</b>	
<b>Name &amp; Telephone No.:</b>	Councillor Pamela Bale - Tel (0118) 9842980
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<b>Date Portfolio Member agreed report:</b>	22 April 2014

<b>Contact Officer Details</b>	
<b>Name:</b>	Mark Edwards
<b>Job Title:</b>	Head of Highways and Transport
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## Implications

- Policy:** No policy implications although it is anticipated that a permit scheme will reduce the impact of roadworks on businesses and residents, a principle of the Local Transport Plan.
- Financial:** The proposed permit scheme would be self funding and would largely replace the current noticing system thereby creating a saving from part of the Officers salary which would transfer to the self funding scheme. Any saving will be included in the CEL.
- Personnel:** The report recommends that initially 2 additional officers, self funded from income fees, will be needed to manage the permit scheme. The scheme will be reviewed after 12 months to assess the resource requirement.
- Legal/Procurement:** This is a statutory process under the 2004 Traffic Management Act and Legal Services will be fully involved.
- Property:** No property implications other than additional desk space will be required for new staff.
- Risk Management:** There is a small risk that the bid to DfT will fail in which case the Council will continue to use the 'Noticing' system.

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Outcome</b> (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at <a href="http://www.westberks.gov.uk/eia">www.westberks.gov.uk/eia</a>				<input type="checkbox"/>
Not relevant to equality				<input checked="" type="checkbox"/>

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

# Executive Summary

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## 1. Introduction

- 1.1 Since the introduction of the Traffic Management Act 2004 the Department for Transport (DfT) has allowed Highway Authorities to implement Permit Schemes in an attempt to reduce congestion and disruption caused by street works and road works. Currently electronic notices are sent by utility companies to West Berkshire Council which allows the Council to carry out its statutory duty to co-ordinate work on the highway.
- 1.2 The noticing system has shortcomings in that it is often difficult for the Council to be satisfied that the utility company serving the notice has fully understood the Council's requirements in respect of that particular notice.
- 1.3 That situation should not arise with permits as they are applications for approval rather than notifications and as such enable the Council to agree conditions prior to work commencing. There are other benefits to operating a Permit Scheme and these are set out in the report.

## 2. The Statutory Process

- 2.1 The route to implementing a Permit Scheme is a statutory process and a Highway Authority is required to consult all stakeholders prior to making a formal application to the DfT. In addition, applicants are required to complete a detailed cost benefit analysis (CBA) using a toolkit developed by the early adopters of permits and which has been approved by the DfT. Details of the CBA including staffing implications are provided in the report.

## 3. Proposals

- 3.1 The Head of Highways and Transport is proposing that the Council seeks to implement a Permit Scheme in West Berkshire. There are two main options. The Council can apply to commence its own scheme or alternatively elect to join the existing South-East Permit Scheme (SEPS) which was approved in 2011.

## 4. Next Steps

- 4.1 The consultation referred to in 2.1 above is running from mid May to mid July 2014. If Executive approval to proceed is provided on 19 June then formal application to the DfT will be made during July with a view to implementation from April 2015.

## 5. Equalities Impact Assessment Outcomes

- 5.1 This item is not relevant to equality.

## 6. Recommendations

- 6.1 It is recommended that the Executive approve this report and delegate authority to the Head of Highways and Transport to make an application to the DfT to join the South-East Permit Scheme.

# Executive Report

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## 1. Introduction

- 1.1 Since the introduction of the Traffic Management Act 2004 the Department for Transport (DfT) has allowed Highway Authorities to implement Permit Schemes in an attempt to reduce congestion and disruption caused by street works and road works on their road networks. Currently predominantly electronic notices are sent by utility companies to West Berkshire Council which allows the Council to carry out its statutory duty to co-ordinate work on the highway.
- 1.2 The Noticing system has shortcomings in that it is often difficult for the Council to be satisfied that the utility company serving the notice has fully understood, and will comply with the Council's requirements in respect of that particular notice. This can lead to unnecessary disruption on the highway.
- 1.3 That situation should not arise with permits as they are applications for approval rather than notices and as such enable the Council to agree conditions prior to work commencing. There are other benefits to operating a Permit Scheme and these are set out below.
- 1.4 The Country's first permit scheme was introduced in London in January 2010 followed later that year by the Kent County Council Scheme, granting 7,500 permits in the first year, a 73% approval rate. Public complaints about congestion and co-ordination of works in Kent fell by 26%.
- 1.5 In 2011 East Sussex Highway Authority collaborated with Surrey Highway Authority to create a common permit scheme for the south-east area. The South-East Permits Scheme (SEPS) contains a common set of rules that are available for adoption by any highway authority in the south-east.

## 2. Benefits of a Permit Scheme

- 2.1 The main benefit of a permit scheme is that it gives the Council greater control over utility company streetworks. This has been a cause of concern for residents and Ward Members for some years. The proposed arrangement will assist in minimising traffic disruption. Additional benefits of Permit Schemes operating elsewhere include:
  - Reduction in safety hazards and incidents in and around work sites
  - Reduction in the impact of works on local residents and businesses
  - Reduction in the impact of works on public transport
  - Reduction in the impact of works on vulnerable people
  - Protection of the structure of the highway and apparatus within it, in a way that helps manage long term maintenance costs (i.e. more first time permanent reinstatements)
  - Better information for road users about works in the highway
  - Improved compliance with highways legislation by works promoters

- Greater co-operation between different work promoters
- Greater adoption of less invasive work methods, and measures to mitigate the impact of excavation
- Improved productivity of highway contractors
- Increased road user satisfaction with management of works on the highway

### **3. Scheme Costs**

- 3.1 To enable a permit application from a utility company to be considered and a permit subsequently issued, additional staffing will be required. However the cost of this is fully covered by the permit fees charged. Although permits will be issued from day 1, there will be an initial 4 week grace period when no charges will be levied as recommended by the Department for Transport. The full complement of staff will therefore be required from day 1.
- 3.2 It is estimated that two additional streetworks officers will initially be required to ensure the scheme operates successfully. Highway Authorities are not allowed to use any operating surplus on anything other than managing the scheme or reducing the following years permit fees. The Scheme is intended to be fully self funding. It is proposed that the resource requirement is reviewed after 12 months of operation.
- 3.3 A very comprehensive Cost Benefit Analysis (CBA) has been completed, an extract of which is included in Appendix A. The proposed schedule of permit charges is included at Appendix B.

### **4. The Statutory Process**

- 4.1 Permit schemes are permitted under Part 3 of The Traffic Management Act 2004 (TMA). The TMA also provides the power for the Secretary of State to make Regulations covering requirements for permit schemes applications, fees and conditions to be attached to permits. Those Regulations were made and are called the Traffic Management Permit Scheme (England) Regulations 2007.
- 4.2 Developing, introducing and operating a permit scheme, which applies to works both carried out on behalf of utility companies and on behalf of highway authorities, enables those authorities much greater scope to manage and co-ordinate works, so as to reduce disruption as outlined earlier in this report.
- 4.3 The TMA and the Permit Regulations currently require that where an authority seeks to introduce a permit scheme, they must submit proposals to the Secretary of State for assessment and approval. The Scheme can only come into operation once it has been approved by Order of The Secretary of State. This requires a Statutory Instrument to be laid before Parliament.
- 4.4 The Secretary of State is required to undertake a comprehensive assessment of each proposal based on four tests. These are:
1. A test of the compliance of the proposed scheme with relevant legislation and guidance.

2. A test to determine if the proposed permit fees are reasonable and adequately justified.
  3. A test of whether the proposed scheme is likely to deliver value for money - is the scheme likely to deliver net benefits to road users and wider society?
  4. A consideration of whether the scheme is deliverable in practice, and if it is therefore in the public interest to give effect to the scheme through an Order.
- 4.5 It should be noted that following a consultation exercise held during 2012 the DfT has indicated that it will be removing the need for Secretary of State approval from 2015. The approval role is being transferred to local authorities and the DfT will not accept any applications on or after 1 August 2014, although the Secretary of State has announced that he will retain the authority to approve 'until at least 2015'.
- 4.6 As Officers had already begun the process in early 2014, including consultation and portfolio briefing, with a view to implementation at the start of the 2015/16 year it was considered preferable to continue with the aim of applying to the DfT during July 2014 rather than delay application to an as yet unconfirmed date in 2015 when Secretary of State approval will no longer be required.

## **5. Next Steps**

- 5.1 A 2 month consultation period with stakeholders (including Police and all utility companies operating in West Berkshire) commenced on 22 May 2014 and will run until 18 July 2014. The CBA has been completed and a consultant has been appointed to develop the business case to ensure that the tests described in 4.4 are adequately addressed. All schemes introduced so far have included development of a business case by a specialist consultant and in light of this specific expertise it is considered that West Berkshire Council should do the same in developing its application.
- 5.2 The application documents will be compiled over the summer months and subject to approval by the Executive on 19 June, the Council's formal application will be made to the DfT in late July following consideration of any consultation responses. It is anticipated that the West Berkshire Permit Scheme will commence on 1 April 2015. A project timeline is included at Appendix C.

## **6. Proposal**

- 6.1 It is proposed that the Council seeks to replace its existing streetworks noticing system with a Permit Scheme to achieve the benefits outlined in this report by making an application to the DfT in July 2014.

## **7. Recommendations**

- 7.1 It is recommended that the Executive approve this report and delegate authority to the Head of Highways and Transport to make an application to the DfT to join the South-East Permit Scheme.

## Appendices

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Appendix A - Summary of costs  
Appendix B - Schedule of charges  
Appendix C - Project timetable

## Consultees

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**Local Stakeholders:** The Police and all utility companies who operate in West Berkshire are being consulted as required by the Permit regulations.

**Officers Consulted:** Melvyn May, Neil Ainsworth, Wendy Howells, David Holling, Corporate Board

**Trade Union:** Not applicable.

# Appendix A

## Total Permit Scheme Financial Summary

Category 0-2 and Traffic Sensitive Streets						Category 3-4 Non-Traffic Sensitive Streets						TOTAL INCOME
Activity Type	Estimated No. of Permits	Cost per Permit	Estimated No. of Permit Variations	Cost per Permit Variation	Total Cost per Activity Type	Activity Type	Estimated No. of Permits	Cost per Permit	Estimated No. of Permit Variations	Cost per Permit Variation	Total Cost per Activity Type	
Provisional Advance Authorisation	97	£77	N/A	N/A	£7,504	Provisional Advance Authorisation	334	£62	N/A	N/A	£20,837	£28,341
Major	84	£199	17	£45	£17,456	Major	268	£125	54	£35	£35,308	£52,764
Standard	108	£111	11	£45	£12,518	Standard	282	£40	28	£35	£12,152	£24,670
Minor	664	£52	33	£45	£35,990	Minor	4054	£33	203	£35	£139,108	£175,098
Immediate	397	£47	20	£45	£19,610	Immediate	1416	£29	71	£35	£43,152	£62,762
<b>Sub Total</b>	<b>1350</b>	<b>N/A</b>	<b>81</b>	<b>£45</b>	<b>£93,079</b>	<b>Sub Total</b>	<b>6353</b>	<b>N/A</b>	<b>355</b>	<b>£35</b>	<b>£250,557</b>	<b>£343,636</b>

## Permit Scheme Cost Breakdown

Cost Type	Cost
Permit Application Employee Costs	£254,343
Permit Application Operational Factor Costs	£71,216
<b>Total Permit Application Costs</b>	<b>£325,559</b>

Permit Variation Employee Costs	£11,564
Permit Variation Operational Factor Costs	£4,497
<b>Total Permit Variation Application Costs</b>	<b>£16,061</b>

<b>TOTAL PERMIT SCHEME COSTS</b>	<b>£341,620</b>
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Appendix B

**Charges for Permits for West Berkshire Council  
Under the  
South East Permit Scheme**

	<b>Main/Strategic roads</b>	<b>Minor roads</b>
	<b>All 0, 1, 2 streets and Traffic Sensitive (at any time) 3 &amp; 4 streets</b>	<b>3 and 4 / Non Traffic Sensitive streets</b>
Provisional Advance Authorisation	<b>£77</b>	<b>£62</b>
Major Activity [over 10 days] and all major works requiring a traffic regulation order.	<b>£199</b>	<b>£125</b>
Major Activity [4 – 10 days]	<b>£120</b>	<b>£ 73</b>
Major Activity [up to 3 days]	<b>£58</b>	<b>£ 40</b>
Standard activity	<b>£111</b>	<b>£ 0</b>
Minor Activity	<b>£52</b>	<b>£ 0</b>
Immediate activity	<b>£47</b>	<b>£ 0</b>
Permit Variation	<b>£45</b>	<b>£35</b>

Note: No fee will be charged if the promoter is carrying out Works for Road Purposes (WFRP) as or on behalf of the highway authority.

# Appendix C

West Berkshire Council Permit Scheme Project Timeline - N. Ainsworth																		
	2014												2015					
	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	
Confirm Figures	■																	
Portfolio Member Approval	■																	
Set up Permits Project Team & Meetings			■															
Meeting Kent CC		■																
Complete Traffic Sensitive Streets and Consult (ends on 7/04/2014)		■																
Report to Corp./Management/Exec. Boards (19/06 Exec.)			■															
Procure Commission & Complete Business Case CBA Report			■															
Prepare all Documents for Application, meet DfT as required.	■																	
Submit Application to DfT on 25/07/2014							■											
WBC send out Permit Scheme Stakeholder Consultation (starts 14/05/2014 and ends on 14/07/2014) & Report to DfT.					■													
DfT & Minister Review Application & Produce Statutory Instrument.								■										
WBS Permit Scheme Starts with 1 month Silent Running																■		
NOTE - DfT absolute latest deadline for submission is 1st August 2014																		