

Wiltshire Council

Cabinet

4 February 2020

Subject: Streetworks Permitting System

Cabinet Member: Councillor Bridget Wayman Cabinet Member for Highways, Transport and Waste

Key Decision: Key

Executive Summary

Making best use of the County's road network is vital for the movement of people and goods, and the network supports the local economy and businesses. The road network also contains the essential infrastructure and services, including water, electricity, gas and telecommunications.

Wiltshire Council as the Local Highway Authority has a duty to co-ordinate works on the road network. The Traffic Management Act 2004 (TMA) allows the Council to introduce a permit scheme, which would enable the Council to take a more active role in planning and coordinating streetworks.

The potential for a permit scheme in Wiltshire has been evaluated by specialist sub-consultants Open Road Associates working with the Council's consultants Atkins. It is concluded that there is a good business case for the introduction of a permit scheme for streetworks in Wiltshire.

The operation of a permit scheme would have benefits for managing works on the highway (See **Appendices 1 and 2**). It would require additional staff resources to operate effectively. However, a large proportion of these additional costs would be recovered through the charges that can be made for permits. The legislation sets out limitations on the charges that can be made, and the costs associated with permitting the Council's own works cannot be passed on to the public utilities. The permit scheme cannot be used to generate revenue.

Statutory consultations have been undertaken with the public utilities and others as required by the legislation (See **Appendix 3**). The Council received 145 responses from 8 organisations, which have been considered and following review it is proposed that the Council should introduce a permit scheme for streetworks.

Proposal(s)

It is recommended that:

1. The importance of managing streetworks on the highway network is acknowledged, and the potential benefits of a permit scheme are appreciated.
2. The results of the consultations have been reviewed and have been taken into account in considering the permit scheme.
3. That Cabinet should give its approval to the implementation of a permit scheme for streetworks on the local highway network in Wiltshire as provided for in the Traffic Management Act 2004 from 1 April 2020.
4. Delegate authority to the Director, Highways and Environment to make the necessary arrangements, including instructing legal to execute all necessary documentation: that officer should consult with the Director of Finance and Procurement and the Cabinet Member, Highways, Transport and Waste as it is a countywide scheme which is the first of its kind for Wiltshire.

Reason for Proposal(s)

The introduction of a permit scheme for streetworks would have benefits in terms of improved management of works on the highway network, reduced traffic delays, reduced carbon footprint and improved safety. The fees generated by the scheme would be used to increase supervision and management of the public utilities and other work on the network.

The Department of Transport is encouraging authorities to adopt permit schemes for streetworks, and most authorities will have a scheme in place shortly.

Alistair Cunningham
Chief Executive Officer – Place

Wiltshire Council

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Purpose of Report

1. To approve the implementation of a Permit Scheme to manage streetworks in Wiltshire.

Relevance to the Council's Business Plan

2. The council's Business Plan 2017 – 2027 has three priorities; Growing the Economy, Strong Communities, and Protecting the vulnerable. The goals include the ability to get around and access good services, and reductions in road casualties.
3. The movement of traffic and reducing delays and congestion on the highway network are important to ensuring access to services as well as in connection with air quality and health issues. Having appropriate management of all works on the highway network is vital to ensure the safety of road users and those working on the network.

Background

4. Making best use of the County's road network is vital for the movement of people and goods, and the network supports the local economy and businesses. The road network also contains the essential infrastructure and services, including water, electricity, gas and telecommunications needed by our communities.
5. Under regulations set out in the New Roads and Street Works Act 1991 (NRSWA), Statutory Undertakers (SU) such as water, electricity and gas supply companies have a statutory right or duty to install, inspect, maintain, repair, or replace apparatus in or under the street.
6. There are currently approximately 33,000 applications to work on the Council's highways and 80,000 days of highway occupations per year. On average 3 works start every hour on the network, with over 60 works starting each day. These works are necessary, but inevitably cause traffic disruption on the highway network.

7. Wiltshire Council as the Highway Authority has a duty to co-ordinate works on the road network. The NRSWA allows Wiltshire Council to direct a SU to carry out works at certain times, but only if it is believed that the work is likely to cause serious traffic disruption.
8. The Traffic Management Act 2004 (TMA) allows the Council to introduce a permit scheme, which would enable the Council to take a more active role in planning and coordinating streetworks.

Main Considerations for the Council

9. A permit scheme as included in the provisions of the Traffic Management Act 2004 would provide more scope for the Council to manage and coordinate streetworks. Those organisations working on the highway would be required to book occupations, get approval of variations, and conform to conditions. There would be sanctions of fixed penalty notices for organisations working without a permit or in breach of permit conditions (See **Appendix 1**).
10. The introduction of a permit scheme would have the potential to provide increased control of works, better inspection of works and reinstatements. There would be the potential to improve coordination and supervision and minimise disruption and congestion for road users. It would also require permits for the Council's own works.
11. The Department of Transport (DfT) has issued guidance that indicates that all authorities should have permit schemes in place by April 2020. This should coincide with the introduction of the DfT's new Street Manager system for transferring streetworks information between organisations which will replace the current processes being used.
12. It should be noted that the proposed permit scheme will need to be compliant with legislation, technical guidance and codes of practice. There is limited scope for making local variations to the scheme. The proposed scheme for Wiltshire takes into account the relevant legal requirements and the results of the recent consultations (see **Appendix 2**).
13. The potential for a permit scheme in Wiltshire has been evaluated by specialist sub-consultants Open Road Associates working with the Council's consultants Atkins. It is concluded that there is a good business case for the introduction of a permit scheme for streetworks in Wiltshire.
14. The operation of a permit scheme would require additional staff resources to operate effectively. However, a large proportion of these additional costs would be recovered through the charges that can be made for permits.
15. The legislation sets out limitations on the charges that can be made. For example, the costs associated with permitting the Council's own works cannot be passed on to the SUs.

Resource Requirements

16. The income from permit fees would enable increased resources to be deployed to coordinate and control works on the highway network.
17. An analysis of existing works on the highway has been undertaken in order to determine likely staffing requirements and the charges needed to recover costs. Initial indications are that seven new posts would be required. Fees need to be set within the limits of the DfT guidance, and some allowance has been made for potential penalty notices based on assumed levels of non-compliance. The staffing costs based on likely staff grades have been included in the assessment. The currently proposed permit and variation fees are set out in paragraph 10.2.2 of Appendix 2 and are between £11 and £72.

Benefits of a Permit Scheme

18. The main benefits of a permit scheme would be:
 - a. Better control of streetworks on the highway network
 - b. Better coordination of operations on the network
 - c. Potentially reduced traffic disruption and congestion
 - d. Cost neutral with charges for permits covering majority of additional costs
19. Evaluation of permit schemes elsewhere in the country for the Department for Transport (DfT) found that permit schemes had increased control of the road network and have the potential to significantly reduce disruption through the use of conditions. It is reported that 66% of authorities in England are already operating Permit Schemes and all authorities in the south west are currently working towards implementing schemes.

Statutory Consultations

20. Statutory Consultations with the public utilities and others were undertaken as required by the legislation. In accordance with Regulation 3 of the Traffic Management Permit Scheme (England) regulations the Council is required to consult with specified organisations and individuals before introducing a permit scheme into legal effect. There were 95 organisations invited to comment (See Appendix 3), and the consultation was available on the Council's website.
21. The consultation took place over a period of 8 weeks, between 9 October 2019 and 4 December 2019 (inclusive). Responses to the consultation were received from the following organisations:

Bristol Water
Depart for Transport
Network Rail
Virgin Media
Wales & West Utilities
Openreach
SSEN
Hampshire Council

22. The comments made have been considered in detail, and summary of the responses to the comments has been prepared (See **Appendix 3**).
23. Generally, the completeness and clarity of the consultation documents were appreciated, but it was noted that these were technical or specialist matters that were being consulted on within particular regulatory limits.
24. The comments on the proposed scheme included some suggestions for amending the documents to ensure greater clarity and correct references, and these minor changes have been incorporated in the documentation.
25. There were no overwhelming objections to the scheme, and on the basis of the consultation there is no reason why the scheme should not be implemented.
26. There were suggestions that the Permit Scheme should not be implemented for all streets, and should only be for the traffic sensitive and busier roads. It was decided at the earliest stage of considering a potential permit scheme for Wiltshire that there were benefits in applying it to the whole of the network and adopting a consistent approach to managing streetworks on the highway network. There is nothing within the responses to the consultation to change that view.
27. There were comments about the potential revisions to the code of practice and the introduction of Street Manager, which will change the way that streetworks information is communicated and managed. Some of these elements may have to be reviewed in due course as final documents are published and Street Manager is introduced, but it is not considered that any changes currently need to be made to the proposed permit scheme.
28. Various points were raised about operational aspects of the permit scheme. Most of these can be clarified at the coordination meetings that are held regularly. There will be the opportunity collaborate with the utilities regarding their activities and develop a robust understanding of how the scheme will operate and to improve coordination of works on the network.
29. The undertaking included in the document to ensure parity of the Council's own work on the network with those of the public utilities was welcomed by the consultees. It should be noted that the Council's own resurfacing work and many other highway maintenance operations will also require permits to be obtained under the scheme.
30. There were suggestions that the fees proposed to be charged were lower than some other authorities. The fees had been given careful consideration prior to the consultation as there are specific rules which have to be applied in determining fee levels. It was considered that the proposed fees are appropriate and realistic. Setting higher fees may initially appear attractive, but they will have to be adjusted to reflect actual costs in due course.

Overview and Scrutiny Engagement

31. The operation of the Council's streetworks permit scheme will be reported to the Environment Select Committee annually in conjunction with the report on the highways service. The Environment Select Committee Chairman and Vice-Chairman were briefed on this report but concluded that overview and scrutiny engagement was not necessary at this stage.

Safeguarding Implications

32. None

Public Health Implications

33. The services provided by the public utilities, including water, sewers, electricity and gas are vital for the health and wellbeing of the public. Minimising disruption to the supply of these is important, and the ability to repair and maintain the enormous amount of equipment within the highway network in Wiltshire is assisted by the effective management of streetworks. The permit scheme has the potential to improve coordination of these works.
34. There are serious safety risks associated with works on the highway, both for the travelling public and for those carrying out the work. The legislation, guidance and codes of practice set out how these works should be carried out safely. The permit scheme will help ensure the safety of works on the highway.

Procurement Implications

35. The streetworks permit system will be operated through the existing Highways Infrastructure Asset Management System (HIAMS) software which is already in use. The system can be adapted easily to accommodate the proposed permit system and is being used by other authorities for permits. There are no procurement requirements in connection with the proposal to implement a permit system for streetworks.

Equalities Impact of the Proposal

36. All roadworks on the highway have the potential to disrupt traffic and pedestrian movements which would include vulnerable highway users. The provision of suitable alternative routes and facilities is set out in the streetworks guidance and codes of practice. To ensure that vulnerable groups are not adversely affected by streetworks it is important that the guidance and codes of practice are followed, and the proposed permit scheme has the potential to provide better supervision and planning of such works to mitigate any potential adverse impacts for vulnerable users that may arise.

Environmental and Climate Change Considerations

37. The introduction of a permit scheme for streetworks has the potential to reduce delays to traffic on the network by better coordination of works and more control of the timing of works. The DfT methodology for assessing the

impact of temporary roadworks indicates that the scheme could lead to estimated carbon emission savings of 748 tonnes CO₂ per year.

Risks that may arise if the proposed decision and related work is not taken

38. If a permit scheme is not introduced it is likely that the Council will be at risk of being unable to meet its statutory obligations in connection with the Traffic Management Act 2004, especially following the introduction of the DfT's Street Manager system.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

39. There is a risk that the number of streetworks operations being undertaken may be less than expected and that charges for the permits may not recover the full costs. However, there may be more works on the network than anticipated which would generate more income. In either case, permit fees would need to be regularly reviewed and adjusted accordingly.
40. Additional staff would be required to operate a permit scheme and there is a risk that recruitment and retention of staff may be difficult. Alterations to the noticing and communications systems in connection with streetworks will need to be made to accommodate the scheme, which will have some risk, but these will be similar to the risks associated with the changes necessary to enable the future use of Street Manager for streetworks communications and can be managed.

Financial Implications

41. An analysis of existing works on the highway has been undertaken in order to determine likely staffing requirements and charges needed to be made for permits to recover costs. Fees would need to be set within the limits of the DfT guidance, and some allowance has been made for potential penalty notices based on assumed levels of non-compliance. The additional staffing costs have been included in the assessment.
42. The scheme costs based on current assumptions and proposed fees are currently anticipated to be over-recovered by about £92,369 annually. If this continued for a number of years, the fees would have to be reduced accordingly.
43. The DfT have issued a Permit Scheme cost benefit calculator to enable the value for money of the scheme to be assessed. This has been used with the data from the last three years of actual works on the highway and calculates the estimated impact on road user travel time, vehicle operating costs, accident costs, emission costs and indirect tax revenue.
44. The introduction of a permit scheme in Wiltshire would be expected to have a Benefit to Cost Ratio (BCR) of 4.28. This is an excellent cost benefit ratio and is broadly in line with expectations and other similar schemes elsewhere in the country, and indicates that as it is higher than 2 it would be considered to

be 'high value for money' and meets the DfT requirement for a permit scheme.

45. It should be noted that the legislation regarding permit schemes means that that they should not be viewed as a means of generating revenue.

Legal Implications

46. The Traffic Management Act (2004) and associated regulations allows for an authority to introduce permit schemes to support the delivery of the network management duty.
47. A permit scheme complements NRSWA and evolves these powers, enabling the Council to take a more active involvement in the planning and coordination of works, from the initial planning stages through to completion. The key changes to working practices are as follows:
- organisations **book occupation** for work instead of giving notice, essentially obtaining a permit for their works;
 - any **variation** to the work needs to be agreed, before and after works have started, including extensions to the duration;
 - the Council can apply **conditions** to works to impose constraints; and
 - new **sanctions** with fixed penalty notices for organisations working without a permit or in breach of the permit conditions.
48. There were a number of comments on the operation of the scheme in response to the consultation and these are summarised and considered in Appendix 3 of this report.
49. The proposed permit scheme will conform to the legal requirements, including the appropriate consultations and orders.

Workforce Implications

50. It has been estimated that 7 additional posts would be required to operate the scheme, with some slight changes to existing street works team roles. There is the possibility that a further two posts may be required once the scheme has been operating for six months and the resource levels reviewed. The income from the permit scheme will meet the cost of the additional posts.

Options Considered

51. The introduction of permit systems for streetworks is being encouraged by the DfT. Support for the current streetworks noticing system is likely to reduce significantly in the future. Not proceeding with streetworks permitting will not be a sustainable option in the future.
52. The opportunity has been taken to use the specialist service available through the Council's consultancy contract, and to work in conjunction with Bristol City Council and Bath and North East Somerset Council who are also in the process of implementing permit schemes.

Conclusions

53. It is concluded that in view of the DfT guidance, current legislation and potential benefits a permit scheme for streetworks should be introduced by Wiltshire Council.

Parvis Khansari (Director - Highways and Environment)

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Date of report

Appendices

- Appendix 1 – Overview of Proposed Permit Scheme
- Appendix 2 – Wiltshire Permit Scheme
- Appendix 3 – Response to Consultation

Background Papers

The following documents have been relied on in the preparation of this report:

None