

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Environment and Transport
Date:	25 September 2018
Title:	Highways Permit Scheme
Report From:	Director of Economy, Transport and Environment

Contact name: Adrian Gray

Tel: 01962 846892

Email: adrian.gray@hants.gov.uk

1. Recommendations

- 1.1. That the Executive Member for Environment and Transport notes the response to the consultation with utility companies and other key stakeholders, and approves the amended Permit Scheme, as attached to this report, for adoption as the Hampshire County Permit Scheme in place of the existing Noticing System for managing street works in Hampshire from 1 April 2019.
- 1.2. That the Executive Member for Environment and Transport gives authority for a local Order to be made, in consultation with the Head of Legal Services, using powers conferred by Section 33A of the Traffic Management Act 2004 (amended), in order to bring the proposed Highways Permit Scheme into force.
- 1.3. That authority is delegated to the Director of Economy, Transport, and Environment to make minor amendments and updates to the Hampshire County Permit Scheme as necessary prior to the making of the Order, and in consultation with the Executive Member for Environment and Transport, in order to finalise any details or matters of presentation.

2. Executive Summary

- 2.1. The purpose of this paper is to update the Executive Member for Environment and Transport on consultation carried out on the Highways Permit Scheme proposed to replace the existing Noticing System for managing street works in Hampshire and to seek authority to implement the proposed scheme from 1 April 2019.

3. Contextual information

- 3.1. The New Roads and Street Works Act 1991 provides utility companies with legal rights to place and maintain their apparatus in the public highway. Utility companies must work in accordance with National Codes of Practices and Specifications. Under the current Noticing system for managing street works in Hampshire, utility companies must submit notices of their works to the County

Council to enable works to be coordinated. Similar processes are in place to manage County Council works and other licensed works.

- 3.2. Each year the County Council coordinates approximately 35,000 utility works and 25,000 County Council works and other licensed activities. These works generate in the region of 230,000 notices. The County Council uses these notices to coordinate works.
- 3.3. Under a Permit Scheme, all works promoters, including the County Council, will require a Permit before working.
- 3.4. Permit Schemes were introduced by Part 3 of the 2004 Traffic Management Act as amended by the Deregulation Act 2015. The structure of schemes is described by the 2007 Traffic Management Permit Scheme (England) Regulations as amended in 2015.
- 3.5. In June 2018, the Executive Member for Environment and Transport gave authority to consult with utility companies and other key stakeholders on the proposed Highways Permit Scheme, known as the Hampshire County Permit Scheme (HCPS), with the results to be reported to the Executive Member as part of a further report later in the year on the implementation of the proposal. This report summarises the result of that consultation.
- 3.6. In July, the Secretary of State for Transport wrote to Hampshire County Council asking that it consider introducing a permit scheme by 31 March 2019, stating that the Government believes that operating a street works permit scheme is a far more effective way of proactively managing street and road works on the local road networks than operating under the older, more passive street works noticing system.
- 3.7. Hampshire County Council as the Permit Authority is required to evaluate the Permit Scheme annually for the first three years of operation, and then every three years thereafter. The evaluation must:
 - state the Permit Schemes cost and benefits;
 - assess whether the fee structure needs to be updated in light of any surplus or deficit;
 - state the Permit Schemes objectives and report on how these are being achieved; and
 - address whether the Permit Scheme is meeting other performance indicators as set out in the Permit Scheme.
- 3.8. Each scheme evaluation must be made available to stakeholders (consulted at development stage) within three months of the date of the evaluation.

4. Finance

- 4.1. Permit schemes were introduced in the Traffic Management Act 2004 to enable Highway Authorities to increase resources managing works on the highway, thereby reducing traffic congestion and protecting the highway asset.
- 4.2. The costs for these additional resources relating to Statutory Undertaker works can be recovered from utility companies. The costs associated with a local authority's own work cannot be included in the charge applied to utility

companies. A local authority must bear the cost of applying the same scrutiny for its own works as it imposes on others.

- 4.3. Utility companies will pay a fee for their permit to be assessed and processed. The fees recovered from utility companies will cover the costs of an enhanced service to better manage and coordinate their works, and the Regulations only permit charging the additional costs of the Permit Scheme. These costs are predominantly made up from the additional staff and management required to operate the Permit Scheme.
- 4.4. The Department for Transport provides an assessment tool to assist local authorities developing a permit scheme to identify the associated resourcing requirements. This assessment tool has been used to identify the resource requirements for the HCPS based on previous years' works notices and the permit application process. The permit charges have been set to recover the full cost of the additional resources required to process permits.
- 4.5. The County Council and partner organisations, including local councils, will be required to apply for a permit in the same way as a Statutory Undertaker, and bear the cost of the permit application where a charge is applicable. Additional costs will therefore be incurred for the County Council's own work. Actual costs will vary and depend on the specific work and location. The additional cost for individual works is anticipated to be modest and offset by the overall benefits derived from a permit scheme.
- 4.6. DfT guidance on the assessment of Permit Schemes indicates that implementing a Permit Scheme may be anticipated to reduce the number of works by 5% compared with a Noticing System. This reduction in the number of works will have a commensurate beneficial reduction in traffic congestion, pollution (from idling vehicles), and disruption to residents and businesses.
- 4.7. Atkins was commissioned to undertake Cost Analysis in line with DfT guidance. The Benefit Cost Analysis used data on road works carried out in the last three years (2015-2017) in Hampshire to establish the average number and duration of works in Hampshire, together with Annual Average Daily Traffic flow (2016) on different categories of road using information from 396 count sites in the county. The DfT software, QUADRO (Queues And Delays at Roadworks), was used to estimate the cost and benefits of a permit scheme over a twenty-five year appraisal period (2019-2043).
- 4.8. Based on the data, the total cost over the twenty-five year appraisal period is approximately £21million, with a total value of benefits over the period of £289 million. This gives a Benefit Cost Ratio of 42.2, and demonstrates very high value for money.
- 4.9. Following the Permit Scheme coming into effect, there will be a four week period during which the Permit Scheme will operate without charges applied to permit requests so works promoters may adjust their programming to conform to the Scheme.

5. Performance

- 5.1. The HCPS focusses on works and roads that will have the greatest impact on the travelling public, residents, and businesses in Hampshire. Permits will apply to all works, but the enhanced (charged) service will not apply to minor and immediate works on non traffic sensitive streets (mainly minor rural roads and residential streets). Minor works are those that are planned to take three days or fewer, and typically include water meter repairs, pothole repairs, and utility connections to residential properties. Immediate works are those needed to restore a customer that has lost a utility service or fix a problem causing a danger, such as a gas leak or a burst water main. Charges for works on non traffic sensitive streets will not be made as their impact on traffic and residents is generally minimal. This is consistent with Department for Transport (DfT) advice that schemes should target improvements to ensure more effective use of the strategic network.
- 5.2. Permits for all works on all other streets will be charged on a sliding scale depending on the nature of the works and the type of road directly affected. These charges reflect the amount of additional management and controls that will be undertaken to minimise disruption arising from the works. Discounted permit charges will be applied where statutory undertakers plan their works more effectively to further minimise disruption e.g. by working only at night or outside of peak traffic times. Again, this is consistent with DfT advice that schemes should target fees and offer discounts to improve performance and reduce occupation of the network, especially on strategic routes.
- 5.3. Permit Schemes place a legal obligation on all statutory undertakers and other works promoters (including the County Council). Working without a valid permit and failing to comply with any conditions attached to that permit are enforceable and carry the option of prosecution or issuing a fixed penalty notice.
- 5.4 The Scheme is being designed with the following outcomes in mind:
 - To proactively manage the local highway network to maximise the efficient use of road space;
 - To improve the quality of works information and quality and compliance with relevant legislation, specifications and Codes of Practice;
 - To improve the reliability and accuracy of activity information to the public;
 - To protect the right of the public to use the highway in a lawful manner;
 - To protect the structure of the street and any apparatus within it;
 - To ensure parity of treatment for all activity promoters; and
 - To manage road works and street works to support public transport reliability.

6. Consultation and Equalities

- 6.1. Between 20 June and 31 July 2018, consultation on the Highways Permit Scheme was carried out in accordance with “The Traffic Management Permit Scheme (England) Regulations 2007”. Statutory consultees included: those who have executed works on the public highway, the emergency services, relevant local authorities, and the Secretary of State. In addition, the County Council also consulted with parish councils, County Council works promoters, and related practitioners.
- 6.2. The County Council has received no objections to the proposed HCPS. Many parish Councils that responded were supportive of the proposed scheme. Most utility companies that responded appreciated the scheme having a greater focus on works that were likely to have a significant impact on traffic. Most utility companies who responded also expressed concerns over the assumption that the scheme would realise a 5% reduction in works. This 5% reduction arises from advice provided by the DfT. The County Council believes that better managed works will reduce the total number of perceived works on the highway by limiting the number of temporary reinstatements, improving reinstatement quality and promoting collaborative working. The majority of other comments received can be summarised as follows:
- a) The scheme should provide further explanation on how it will demonstrate parity between County Council works and utility works;
 - b) Some terminology in the document should be amended to ‘future-proof’ it for new developments in software and technology;
 - c) The scheme should be updated to align with the latest legislation and advice;
 - d) The scheme document should be streamlined to make it more focussed and easier to read;
 - e) The scheme document should clarify a number of identified technical matters;
 - f) The scheme document should clarify how discounted permits will be identified;
 - g) The scheme document should set out the procedure for the ‘settling in’ period when the scheme starts.
- 6.3 The County Council has considered all responses provided and has amended the scheme document where necessary.

7. Next Steps

- 7.1. Following approval for the Hampshire County Permit Scheme by the Executive Member for Environment and Transport, the Director of Economy, Transport and Environment will make the associated Order in consultation with the Head of Legal Services.

- 7.2. Prior to making the Order, minor amendments that do not alter the substance of the Permit Scheme may be made by the Director of Economy, Transport and Environment.
- 7.3. There is a minimum period of four weeks between making the Order and its coming into effect. The intention is that the Order and the Hampshire County Permit Scheme will come into effect from 1 April 2019, with the Order being made in late 2018.
- 7.4. During this period, consultees will be provided with a copy of the Order. Wider publicity in advance of the Permit Scheme's coming into effect may also be appropriate.
- 7.5. Following the Permit Scheme's coming into effect, there will be a four week period during which the Scheme will operate without charges applied to permit requests. This grace period, which is strongly recommended under the Regulations, provides an opportunity for works promoters to adjust their programming to conform with the Scheme, and for internal processes to be tested and problems resolved.
- 7.6. The Permit Scheme will be evaluated annually for the first three years of operation, and then every three years thereafter. The evaluation will be reported to the Executive Member for Environment and Transport and made available to stakeholders (consulted at development stage) within three months of the date of the evaluation.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Coordination and Regulation of All Works on Hampshire County Council's Highways' Scrutiny Review http://hantsweb-staging.hants.gov.uk/councilmeetings/advsearchmeetings/meetingsitemssummary.htm?sta=&pref=Y&item_ID=2903&tab=1&co=&confidential=	12 th May 2011
Highways Permit Scheme http://democracy.hants.gov.uk/documents/s19302/Report.pdf	5 June 2018
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>
Traffic Management Act	2004
Traffic Management Permit Scheme (England) Regulations.	2007
Deregulation Act.	2015

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
Statutory Guidance for Highway Authority Permit Schemes (October 2015)	Department for Transport publication
DfT Advice Note “ For local authorities developing new or varying existing permit schemes” (June 2016)	Department for Transport publication

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

The proposal will provide the County Council with additional control over streetworks, enabling improvements to coordination which have a positive impact on all road users and residents. In some cases, more proactive management of the local highway network to maximise the efficient use of road space may result in better outcomes for groups such as wheelchair users seeking to use footways. In addition, improved protection of the structure of streets and street apparatus could be of additional benefit to some elderly people and people with disabilities who are potentially at more risk of incidents arising from faulty footway surfaces.

2. Impact on Crime and Disorder:

2.1. Uncoordinated or poorly managed road works can cause disputes. An effective Permit Scheme will help reduce conflict.

3. Climate Change:

a) How does what is being proposed impact on our carbon footprint / energy consumption?

The proposal will have a beneficial impact on climate change by the more effective management of road works that will have a commensurate beneficial reduction of traffic congestion and pollution (from idling vehicles).

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

It is considered that the proposal will have no impact on the need to adapt to climate change and be resilient to its longer term impacts.