

**Decision Session - Executive Member for
Transport and Planning**

15 November 2018

Report of the Corporate Director of Economy and Place

Streetworks Permit

Summary

1. The purpose of this report is to seek approval from the Executive Member to commence a piece of work which will consider the implications of introducing a Permit Scheme (PS), to govern all utility and highway works activities within the authority's highway network.
2. To advise of a letter received in August from the Minister for Transport, Chris Grayling.
3. This report includes background on the current situation and a suggested way forward with a breakdown of the work stages, timelines and initial costings.

Recommendations

4. It is recommended that the Executive Member approves:
 - a) The commencement of feasibility work to look at scheme development and cost benefit analysis (work stages 1 and 2).
 - b) The procurement of such works through the NYCC Services Framework
 - c) The funding of feasibility work from transport budgets. This costs approximately £41,300.
 - d) That a further report will be presented to the Executive following completion of work stages 1 & 2.

Reason: To respond positively to the letter received from the Minister for Transport, Chris Grayling, which sought that all local highway authorities now pursue the implementation of a Permit Scheme within their respective boundaries.

To ensure that the local highway authority continues to fulfil its statutory duties under the New Roads and Streetworks Act 1991 (NRSWA) and Traffic Management Act 1994 (TMA).

Background

5. Under section 59 of NRSWA, a street authority has a duty to effectively manage and coordinate all road and street works, and other activities, on their network.
6. City of York Council (CYC), currently funds the management of street works coordination from internal budgets, including income generated in relation to penalties generated from utility works. While the NRSWA is the primary legislation governing street works it has been augmented by Part 3 of TMA, providing the option for an authority to operate a 'permit scheme', which charges for the network management and coordination service provided.
7. Permit Schemes (PS) require both statutory undertakers and the authorities own direct highway services to apply to book road space for their activities rather than notify the authority when they want to work. Permit applications can be refused (by the permit authority), meaning that the process is more proactive than the existing notification system (by which the utility company serves notices of its intention to work). Statutory Undertakers are charged a reasonable fee and this is calculated to recover all the time and overhead costs associated with the management of the permit, up to a maximum level set by the Department for Transport (DfT). Authorities not implementing a permitting scheme are still required to maintain a register of these activities and have a legal duty to coordinate (the Network Management Duty), but are not able to charge for the costs of providing this service.
8. In August this year Chris Grayling, the Minister for Transport, wrote to all local authorities to recommend permitting and after research published by the government in June suggested permits helped drive down the duration of work. The letter indicated that Local Authorities should consider the introduction of a Permit Scheme by March 2019.
9. With the exception of A64, as the highway authority, CYC are responsible for all publicly maintainable roads and footways within the authority's area, and for the management, maintenance and improvement of the highway network. Whilst the TMA has imposed

many duties upon highway authorities, it has provided significant tools to allow the effective co-ordination of street works and has enhanced current NRSWA powers giving greater control of their network.

10. Within the region, there are nine local authorities operating under a Yorkshire Common Permit Scheme (YCPS), Barnsley, Leeds, Kirklees, Doncaster, Rotherham, Sheffield, Bradford, Calderdale and Wakefield. North Yorkshire County Council introduced its own (NYoPS) in October 2017. It is understood that East Riding of Yorkshire Council and Hull City Council are progressing towards scheme introductions.
11. It is recommended that CYC in considering the decision to transition into permitting; reviews a range of options including the potential to use the North Yorkshire Permit Scheme (NYoPS) or YCPS, as a 'template' or designing and writing it's own bespoke scheme.

Summary of benefits

12. Typically, permit schemes can expect to deliver the following benefits:
 - Improvements in coordination: permits provide an environment to help CYC meet its Network Management Duty and to improve communication channels both within the industry and the wider users of CYC's network.
 - Less disruption on the network: permits support CYC in minimising disruption and inconvenience across the network. The DfT estimates a minimum of 5% reduction in works through encouraging good practices, mutual and collaborative working arrangements and a focus on getting it right the first time.
 - Permit income: money received from permits can go directly to operation of the scheme, for instance as staff, IT, monitoring, co-ordination and training. These costs are currently borne by CYC.
 - Safety on sites: permits encourage a greater emphasis on safety through an enhanced site inspection regime. Site safety includes for site operatives and all road users, with special emphasis on the more vulnerable.
 - Improved working practices: permits encourage a sharing of knowledge and methodology across the industries working within CYC and wider environs and an emphasis on the need to minimise damage to the structure of the highway and the apparatus contained within the road.

- Parity: permits require all activities to be covered by the scheme and works promoters to be treated on an equal basis, which will drive improvements from CYC's own contractors.
- Permit conditions: permits will allow CYC to control highway activities more rigidly through permit conditions which are applied to the permits issued. These can be enforced with the use of fixed penalty notices.
- Catalyst for change: operating a permit scheme can drive changes within a number of areas, including street works, development control, highways maintenance and will be a strong driver for a culture change within utility companies and their contractors.

Preparation of a Permit Scheme

13. Implementing a permit scheme requires significant development. Utilising the NYCC Framework, officers have met with the framework consultant WSP who have assisted a number of local authorities to prepare and put in place a PS. WSP have submitted a proposal which sets out the recommended requirements (statutory and otherwise).
14. The scope of the proposal includes:
- Design of permit scheme; building the scheme document to ensure CYC's key objectives are met and that they support their Transport Strategy, preparation of all the documentation that needs to be submitted to DfT, compiling a Cost Benefit Analysis, production of a consultation document and collating the responses to the consultation and amendments to the scheme itself as a consequence.
 - Support during implementation, including IT system health check and support, training for all staff as required, assisting with a restructure based on technical review of the current service and an understanding of how a successful permit scheme and network coordination should happen, development of business processes and procedures and hand-on 'user guides', assistance with recruitment and support to ensure the change over to permits takes place smoothly.

Methodology

15. The design of a permit scheme is based upon the statutory regulations and the guidance from DfT and HAUC, however within this framework

the DfT allows scope for CYC to use its local agenda to ensure the scheme design suits its own objectives.

16. There are four stages in the implementation of a permit scheme, namely:
 - i. Permit Scheme preparation, which includes the scheme document and the 'application pack' ;
 - ii. Cost/benefit analysis – this will be carried out in parallel with stage 1 and is based on network modelling;
 - iii. Statutory Consultation with stakeholders including DfT , Statutory Undertakers and others; and
 - iv. Implementation, which includes systems testing, training of staff and development of a new structure and business processes.
17. In addition, a period of on-site support is strongly recommend with the new coordination teams at go-live to assist with the initial transitional phase and bedding in of new processes.
18. The first 2 stages proposed to be undertaken prior to a further decision by the Council to consult on a scheme are described in the section below.

Scheme Development

19. The initial tasks involve providing a full explanation and review of existing comparable schemes, envisaged to include that operated by NYCC (NYoP scheme), YCPS (9 Yorkshire Council's) and additionally examples of permit schemes from other authorities with similar sized highway networks having a combination of compact city centre, together with dense urban, suburban and rural areas. As well as a discussion of the key elements of a permit scheme operation and consideration of the issues around implementation.
20. To operate a successful scheme, the local street gazetteer needs to be up-to-date, in particular the designations of streets as Traffic Sensitive (TS) and the correct reinstatement categories applied. These will dictate the upper charge band for permits and it is vital to ensuring the wider success of the scheme in terms of the network management. A full review of the gazetteer, the Associated Street Data and provide an appraisal of whether there is scope to adjust the TS streets will be undertaken in order to optimise the fee profile and ensure a rigorous network management policy is available.

21. The DfT permit scheme matrix is used to identify fee levels and staffing based on current noticing practices and forecast permit levels. The scheme development depends on completion and analysis of the DfT permit scheme matrix in line with the statutory guidance on permit fees.
22. Completing this will require a detailed analysis of how CYC undertakes its NRSWA function at the current time. These will both feedback into the development of a permit fee profile and to some extent dictate the future structure of the network management team.
23. The CYC permit scheme document sets out the regulatory and operational detail. It also presents a statement of the objectives of the scheme and how CYC will monitor and quantify the outcomes of the scheme delivery.
24. It is recommended that during this development period, CYC provides opportunities for all staff, senior management teams, Members and other stakeholders (which might include highway authority contractors and Statutory Undertakers) to attend a briefing presentation which sets out the background to permits and the key concepts and differences (changes) that it will entail.
25. It is anticipated that it will take a minimum of two months to complete this work stage.

Cost Benefit Analysis

26. This provides an overview of the costs and benefits (whether financial or not) that the permit authority anticipates will result from the permit scheme. This should tie into the permit fee matrix as well as the local transport plan where applicable and should also include traffic modelling data to assess the benefits of the scheme. The DfT guidance requires that Queues and Delays at Road works model (QUADRO) or other modelling appraisal programmes be used to assess the benefits of permit schemes to the level required for public consultation.
27. QUADRO is a DfT supported economic appraisal computer program used to assess 'whole life' road user costs as a result of road works on highway links. QUADRO is a powerful assessment tool and was developed to assess road works in a rural environment, where works

take place on links between junctions and diversion routes to be used are obvious and few. It is also used to assess road user costs at road works on motorways and all-purpose roads carrying high flows. In urban areas, delays to traffic resulting from road works can also sometimes be computed by using congested assignment packages (e.g. SATURN) together with the economic appraisal program, TUBA.

28. A large extract of data is required from the Street Works Register (SWR) which CYC will need to provide in a certain format to aid the data analysis. The main inputs for QUADRO are details of the works (location, timings, TM layout, works speed limit, road works schedule, diversion routes etc.). Additionally, CYC will need to provide traffic data (classified count data and long-term count data on the main line and diversion routes).
29. The outputs from QUADRO are forecast delays/speeds during the works, amount of traffic forecast to divert and road user costs (due to delay, extra vehicle operating costs and accidents - user costs are discounted to 2010 in the newly released version).
30. This process is expected to take approximately two months and will be done in parallel with work stage 1, as several elements cross over between the two stages. This relies on the provision of the required data from CYC's network and traffic teams and the works data from the SWR.

Council Plan

31. This report is supportive of the following priorities in the Council plan in addition to the One Planet York principles the Council champions:
 - A prosperous City for All
 - A focus on frontline services

Implications

Legal	The report responds to the council's statutory duties with regards to the management and efficient use of the highway network, as regulated through the New Roads and Streetworks Act 1991 and Traffic Management Act 2004.
Financial	The implementation of a Permitting Scheme, makes

	<p>provision for it being an invest to save process. The initial costs involved in considering the options and type of a permit scheme including those associated with actual implementation can be subsequently recovered through the new fee charging matrix introduced.</p> <p>The feasibility and cost benefit work to be undertaken by consultants appointed through the NYCC framework, is estimated at £42,000. As the permit income is unconfirmed at this stage this will be funded from existing Streetworks allocations within the Transport Service budget.</p>
Human Resources	n/a.
Crime and Disorder	There are no crime and disorder implications
Sustainability	There are no sustainability implications
Equalities	There are no property implications
Property	There are no property implications

Risk Management

32. In compliance with the Council's risk management strategy there are no risks associated with the recommendations in this report. The study will determine the scope of a proposed scheme which will be presented to Members for final decision on implementation.

Contact

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Report **Date** 05.11.18
Approved

Wards Affected:

All

For further information please contact the author of the report

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Abbreviations

CYC - City of York Council

DfT - Department for Transport

NYoPS - North Yorkshire Permit Scheme

NRSWA - New Roads and Streetworks Act 1991

NYCC – North Yorkshire County Council

PS - Permit Scheme

QUADRO - Queues and Delays at Road

SWR - Street Works Register

TMA – Traffic Management Act 1994

TS - Traffic Sensitive

YCPS - Yorkshire Common Permit Scheme