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## Report of the Acting Director City Development

### Executive Board

Date: 27<sup>th</sup> July 2011

### Subject: Permit Scheme for Road and Street Works

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#### Electoral Wards Affected:

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(Details contained in the report)

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## EXECUTIVE SUMMARY

1. Approval is sought to make an application to the Secretary of State for Transport to operate a permit scheme for all road and street works on the strategic highway network in Leeds.
2. Under the scheme a permit will be required for all works on the affected highways. The permit can specify conditions about how the works should be carried out, to minimise disruption and improve safety. Statutory undertakers are required to pay the authority permit fees. The costs of running the scheme should balance the fee income.
3. A permit scheme will enable the council to more effectively coordinate all works on its strategic network, resulting in the estimated saving of over 268,000 hours of delay per year.
4. The proposed scheme covers all council wards and has therefore been identified as a key decision.

## **1.0 Purpose Of This Report**

- 1.1 The purpose of this report is to provide an explanation of the permit scheme proposed and the expected benefits provided by the scheme.
- 1.2 To seek approval to apply to the Secretary of State to operate the permit scheme.

## **2.0 Background Information**

- 2.1 The Government introduced the Traffic Management Act (TMA) in 2004. One of the powers contained in the TMA is the ability for local traffic authorities to apply to the Secretary of State to make an order for a permit scheme to control specified works on all, or part of an authority's highway network. Specified works are utility company street works, and the local highway authority's own works for highway purposes.
- 2.2 Under the current arrangements a work promoter is required to send a notice to the highway authority that works are intended but may start works on site without further communication. Under a permit scheme a work promoter has to apply to the authority for a permit to work in that road and apart from emergency works, can not start until a permit has been issued. The permit application should specify the days, times, proposed methodology and traffic management, all of which have to be agreed before a permit is granted.
- 2.3 For utility companies there is a charge for each permit (the permit fee). The permit regulations specify that the income received from permit fees must not exceed the proportion of costs for operating the permit scheme incurred in relation to statutory undertakers. There is no permit fee for an authority's own works but the officer time in assessing the permit applications must be funded by the authority.
- 2.4 Permit schemes have been implemented in Kent and in London on all roads, and Northamptonshire have implemented a scheme for main roads only. Early results on the effectiveness of these schemes have been very encouraging. Co-ordination of works has improved and disruption has been reduced. Many other authorities are now actively working on potential schemes.
- 2.5 A group of officers led by Leeds City Council and including Yorkshire Water, known as the Yorkshire Permit Planning Group, worked collaboratively to develop a proposed scheme for the Yorkshire and Humberside authorities. The group concluded that a common permit scheme would be the most suitable type for the authorities in the region.
- 2.6 A common scheme has the advantage of joint working on compilation, drafting, informal and formal consultation and mutual assistance in submission to the Secretary of State. However unlike a joint scheme it has the advantage that each authority has individual objectives, and fee levels. Discussions with Department for Transport (DfT) officials have, so far, been favourable.
- 2.7 9 authorities across the whole of West and South Yorkshire are intending to implement the proposed scheme subject to their own internal approval and consultation procedures.

## **3.0 Main Issues**

- 3.1 The increased checks and co-ordination that the Leeds Permit Scheme provides, will give the following benefits for Leeds residents, businesses and visitors:

- reduced travel delays and disruption to economic activity
- improved reliability of journey times, particularly by public transport
- improved communication about the purpose and duration of works
- a higher emphasis on safety
- a reduction in carbon emissions from stationary or queuing traffic

- 3.2 It is proposed that the Permit Scheme is only applied to strategic and “traffic sensitive” streets on the Leeds highway network, as these provide the greatest potential benefits to the road user. This covers around 30% of the Council’s network. On other streets the existing noticing arrangements will be retained.
- 3.3 The identification of the true costs and benefits of the permit scheme is required to assess whether there is an overall benefit of such a proposal to the stakeholders in Leeds. A comprehensive cost benefit analysis was undertaken. This gave a positive rate of return for the permit scheme in Leeds, with the benefits over seven times more than the cost.
- 3.4 The final stage of the permit scheme implementation procedure is currently an application to the Secretary of State for an individual Statutory Instrument for each authority scheme.
- 3.5 The DfT have recently indicated that legislative proposals will be brought forward, which would remove the requirement to seek central government approval to run a permit scheme. However the details for this have not yet been published and there is a concern that the legal and financial checks could be resource intensive. The DfT have therefore advised that schemes that are as advanced as the Leeds proposal should continue with the existing approval arrangements.
- 3.6 If approval is granted to make an application to the Secretary of State, the earliest practical implementation date of the scheme would be April 2012.
- 3.7 Other options to the permit scheme proposed have been considered.
- 3.8 The Council could do nothing and continue to operate the co-ordination and management of road and street works on a works notification basis. Although this has proved successful, it is a less effective option than the proposal, as the powers to control works are not as extensive as those provided by the permit scheme. The increased resource that the permit scheme provides will also contribute to achieving the benefits outlined in 3.1 above.
- 3.9 An alternative permit scheme to cover all works on all roads was considered. The main tangible benefit in the permit scheme is the reduction of delays to vehicles affected by road and street works. This benefit is much more difficult to achieve on the non-strategic road network. This option would also be costly and bureaucratic to introduce and was therefore discounted.

#### **4.0 Implications For Council Policy And Governance**

##### **Risk management**

- 4.1 If the proposed permit scheme is adopted there is a risk that the scheme fails to deliver the predicted benefits. Should the scheme fail to deliver the predicted

benefits and is unlikely to improve, the scheme can be dissolved and all works will be coordinated and notified using the existing works noticing system. This affords us limited powers in dealing with road and street works. This is a high risk but low probability.

- 4.2 Not introducing a scheme could result in utility companies planning resources for street works being allocated to focus on those authorities that are running a permit scheme. This could result in poor coordination and planning of works in Leeds, without the income generated from a permit scheme. This would leave the council under resourced and lacking the additional powers provided by the permit scheme, to drive positive change within these organizations. This is a high risk with an equally high probability.
- 4.3 Introducing a scheme for all works on all roads would result in a high risk of the scheme not achieving the stated benefits. The traffic volumes on the additional road network would not provide the main benefit of the scheme of reduction in delay to vehicles. This option would therefore be a high risk with a high probability.

#### **Public Interest Test**

- 4.4 No information contained in the report is confidential. The public interest test does not therefore apply.

#### **Forward Plan**

- 4.5 The permit scheme has been identified as a key decision and included on the forward plan.

#### **Scrutiny process: Call-In**

- 4.6 The decision is eligible for call-in.

#### **Equality and Diversity and Cohesion and Integration**

- 4.7 The impact of these proposals on residents and visitors generally, and more specifically identified equality characteristics, was assessed as part of a screening exercise undertaken in May 2011. The conclusion from this is, that it isn't necessary to perform a full Equality Impact Assessment as equality, diversity, cohesion and integration has been sufficiently considered as part of the proposals. Details of the screening exercise may be seen in appendix A. The document has also been published on the Council's web page.

#### **Council policies and City priorities**

- 4.8 The proposal contributes to the Council's Priority Outcome to improve journey times through 'maximising the efficiency of the network and minimising congestion through effective network management', as detailed in the City Development Priority Plan.
- 4.9 The proposal contributes to the My Journey West Yorkshire, Local Transport Plan key objective "To improve connectivity to support economic activity and growth across West Yorkshire and the Leeds City Region". In particular proposal 4 of the plan includes the introduction of a permit scheme across West Yorkshire to reduce the disruption to traffic caused by planned road and street works.

## **Consultation**

- 4.10 Before an application can be made to the Secretary of State a statutory consultation must be carried out.
- 4.11 The consultation was carried out between December 2010 and March 2011. The statutory consultees included organisations which would naturally have concerns about the costs they would incur in applying for a permit for their works. Consultees also included organisations who would benefit from the reduced disruption such as bus operators, freight organisations and the emergency services.
- 4.12 The consultation was also publicised in the press to enable local people with an interest to respond.
- 4.13 There were 186 responses of which 18 were positive, received from interested parties such as; South Yorkshire Police, South and West Yorkshire PTE's, and bus operators . 151 were neutral and 17 were against the scheme.
- 4.14 One of the comments against the scheme was from a Parish Council, questioning the need for further regulation. The remainder were from utility companies and other work promoters. These related mainly to the detailed provisions of the proposed scheme. Some changes have subsequently been made to the scheme. Some of the concerns also related to the additional costs to work promoters in permit fees
- 4.15 Many of the 151 neutral responses (the majority from utility companies) were seeking points of clarification in the scheme documentation or permit scheme procedures. Should the scheme be approved, the Council will work with these organisations during the implementation phase to provide a smooth transition from the current street works noticing arrangements to the successful launch of the permit scheme.

## **5.0 Legal And Resource Implications**

### **Constitution and Legal matters**

- 5.1 Part 3 of the Traffic Management 2004 introduced the use of permits to the management of road and street works. The Traffic Management Permit Schemes (England) Regulations 2007 came into force on 1<sup>st</sup> April 2008 opening up the possibility of applying to the Secretary of State to operate a permit scheme.
- 5.2 If the Secretary of State approves the scheme he will make an order (a statutory instrument) giving effect to it. The order will specify amongst other things the date on which the scheme will come into effect.
- 5.3 The Council must be ready to implement the permit scheme from the date specified in the order, as some of the New Roads and Street Works Act powers it previously used, would not be available after that date.
- 5.4 Once the order has been made the Council must notify all those that it consulted before the application was submitted.
- 5.5 Being a common scheme, once an order has been made, changes can only be made to the scheme following consultation with stakeholders and with the agreement of the participating authorities and the Secretary of State. Revoking the scheme would likewise require consultation and an application to be made to the Secretary of State.

- 5.6 Although highway authorities are not required to run permit schemes, under Section 33(2) of the Traffic Management Act 2004, the Secretary of State has the power to direct a local highway authority to prepare and submit a permit scheme.

### **Financial and Resource Implications**

- 5.7 Under a permit scheme external work promoters will incur permit fees. The income from these fees will be offset against the employee resource and associated operational costs required to run the scheme. These fees are calculated in accordance with DfT guidance and are expected to be cost neutral to the Council.
- 5.8 Some additional staff will be required to deal with utility company permits. The Highways & Transportation service is currently reviewing its staff structure. It is anticipated that this additional resource will be included in this review.
- 5.9 There is no permit fee for a highway authority's own works permits. These works have to be assessed and controlled in the same manner as utility works and are subject to the same set of rules. It is estimated that this function can be undertaken by the employees who currently deal with the assessment and co-ordination of these works.

### **6.0 Conclusions**

- 6.1 Adoption of the permit scheme would enable the council to place conditions on how works on the highway should be carried out to minimise disruption and improve safety.
- 6.2 The scheme is expected to be cost neutral to the Council.
- 6.3 Early results from similar schemes in operation elsewhere, are demonstrating positive benefits.
- 6.4 This report recommends the implementation of a permit scheme as outlined.
- 6.5 The signals from Central Government are that permit schemes should be rolled out across the Country.

### **7.0 Recommendations**

- 7.1 Members of the Executive Board are asked to authorise officers to make an application to the Secretary of State to implement the permit scheme as outlined in the report.

### **8.0 Background Papers**

- 8.1 Equality, Diversity, Cohesion and Integration Screening Form; Permit Scheme for Road and Street Works, 18<sup>th</sup> May 2011.