

Cabinet – 12 December 2018

Permit Scheme

Portfolio: Councillor Adrian Andrew, Deputy Leader and Portfolio Holder, Regeneration

Related portfolios: None

Service: Planning, Engineering and Transportation

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary

- 1.1 This report outlines the existing arrangements in place for the control and regulation of roadworks on the public highway, how these must be changed by April 2019 to comply with the requirements of the Secretary of State for Transport and details the practical, financial and legislative implications of the required change.

2. Recommendations

- 2.1 That Cabinet approves the Walsall Metropolitan Borough Council Permit Scheme for implementation with effect 1 April 2019. (Appendix A)
- 2.2 That Cabinet approve the proposed permit fees as detailed in 6.3 of this report and authorise the preparation and sealing of the necessary Traffic Management Act 2004 Permit Scheme Order.
- 2.3 That Cabinet delegate authority to the Executive Director for Economy and Environment, in consultation with the Portfolio Holder for Regeneration, to approve any minor changes to the draft permit scheme, to approve the annual report for submission to the Department for Transport and to change the permit fees, within legislative constraints, that may be required as a result of evaluating the annual report.

3. Report detail

- 3.1 Control and regulation of roadworks on the public highway is currently managed through the statutory New Roads and Street Works Act (NRSWA) notification system. This system fails to provide a sufficiently robust means of reducing, coordinating and regulating the impacts of roadworks on the travelling public.
- 3.2 The Traffic Management Act 2004 provides the legislative basis for the introduction of a Permit Scheme to replace the existing notification system. Permit schemes are specifically designed to improve the management and coordination of roadworks on the public highway.
- 3.3 The Traffic Management Act 2004 as amended by the Deregulation Act 2015, allows any Highway Authority in England to develop and implement a permit scheme by way of order made by the Highway Authority. However, any permit scheme implemented by such order must have regard to Statutory Guidance for Highway Authority Permit Schemes.
- 3.4 The Government believes that operating a permit scheme is a far more effective way of proactively managing street and road works. The Secretary of State for Transport wrote to all highway authorities in England, 18 July 2018, requesting they consider introducing a permit scheme by 31 March 2019. The letter further detailed powers under section 3(2) of the Traffic Management Act 2004 to direct an authority to introduce a permit scheme. The letter further commented "I hope it will not be necessary to use these powers. I will, however, be minded to consider this approach if your local authority continues with what I believe are out-dated and ineffective noticing arrangements".
- 3.5 Cabinet will recall that officers were already working toward the implementation of a permit scheme for Walsall. As part of the 2017 /18 budget setting process, officers were instructed to develop a draft permit scheme and undertake the necessary statutory consultation prior to a final decision being made to approve its implementation.
- 3.6 Officers have carried out the instruction of Cabinet and with due regard to the Statutory Guidance for Highway Authority Permit Schemes, developed the Draft Walsall Metropolitan Borough Council permit scheme.
- 3.7 Statutory Consultation has been undertaken on the draft scheme with appropriate feedback being incorporated as minor amendments to the draft scheme.
- 3.8 To ensure consistency of permit scheme operation within the region, officers have liaised closely with Transport for West Midlands. Particular emphasis has been placed on consistency of operation across the Black Country and resulted in the development of common draft permit schemes for Dudley, Sandwell Walsall and Wolverhampton.
- 3.9 Implementation of a permit scheme will require a restructure of the Traffic Management and Coordination team within Engineering and Transportation. Existing team members are aware of this requirement and will be fully consulted through the Council's change management procedures.

- 3.10 Operation of a permit scheme will require all works promoters, including works being undertaken by, or on behalf, of the Highway Authority, to apply for a permit prior to working on the public highway. The permit scheme process allows for permit conditions to be applied that will improve the management, coordination and safety of the works.
- 3.11 Permit fees will be payable by the works promoter, to the Council in its capacity as Highway Authority. Permit fees can only be used to cover the cost of operating the permit scheme, cannot exceed the maximum fees specified by legislation and have been calculated in accordance with statutory guidance.
- 3.12 Importantly, permit fees are not payable by the Highway Authority when undertaking works for road purposes. However, all other requirements to apply for, and comply with, permit conditions will apply.
- 3.13 The permit scheme aims to:
- Reduce disruption and inconvenience caused by roadworks on the highway
 - Protect the structure of the street and the apparatus belonging to utility companies and other parties
 - Ensure the safety of motorists, pedestrians and staff working on the highway
 - Help the council provide better information for road users about work on the highway.
- 3.14 In Walsall, approximately 6500 individual roadworks take place per year. Implementation of the permit scheme is predicted to reduce this by at least 5%, reducing the overall cost to the economy resulting from associated traffic congestion whilst also meeting the requirements of the Secretary of State for Transport.
- 3.15 The successful performance of the Scheme will bring a number of subsidiary benefits. These include:
- Maximizing the safe and efficient use of road space
 - Providing reliable journey times
 - Improving the resilience of the network
 - Minimizing inconvenience to all road users
 - Improving public satisfaction
 - The Permit Scheme objectives will also link to the strategic objectives contained within the West Midlands Local Transport Plan 2011 – 2026 (<https://www.tfwm.org.uk/media/1397/wcce-e8-west-midlands-local-transport-plan-2011-2026.pdf>).

4. Council Corporate Plan priorities

4.1 Implementation of a permit scheme will support the delivery of an efficiently operating and safe road network. This will assist in the delivery of the Council's vision to reduce inequality and maximise potential as outlined in the Corporate Plan 2018 - 2021. Furthermore, it underpins delivery against the Council's priorities which include;

- Economic growth for all people, communities and businesses;
- People have increased independence, improved health, and can positively contribute to their communities;
- Communities are prospering and resilient with all housing needs met in safe and;
- Healthy places that build a strong sense of belonging and cohesion

5 Risk management

5.1 There is a risk that unless the Council applies the requirements of the permit scheme to its own works, as well as those of other works promoters, the Council will not be fulfilling its duties under the Traffic Management Act 2004.

5.2 The requirements to apply for and comply with permit conditions when undertaking works for the Highway Authority has been built into the new Highways and Infrastructure Services contract due to commence 1 April 2019.

5.3 There is a theoretical risk that income from permit fees will be insufficient to cover the additional cost of operating the permit scheme. However, the proposed permit fees as outlined in section 6.3 of this report have been calculated to be sufficient to cover the full cost and should they prove to be insufficient, there is still scope to increase them within the legislative cap. Therefore the overall risk is considered to be negligible.

6. Financial implications

6.1 Implementation and operation of the permit scheme is predicted to be broadly revenue cost neutral. The additional revenue costs have been calculated at £466k per annum with associated permit fee income of approximately £477k per annum. These costs and the associated permit fee income have been calculated in accordance with legislative requirements for implementation of permit schemes.

6.2 Permit fees have to reflect the true additional cost to the Council of operating the permit scheme. The scheme cannot be used as a revenue generating tool as the permit fees must be adjusted if operational costs fall but can be increased if operational costs exceed income from permit fees, subject to the overall maximum legislative cap.

6.3 The proposed permit fees are:

Fees to be charged by the Permit Authority.		
Activity type	Charge on strategically significant streets	Charge on non-strategically significant streets
Provisional Advance Authorisation	£93	£69
Major activities (over 10 days duration AND major activities requiring a TTRO)	£218	£136
Major activities (4 to 10 days duration)	£126	£74
Major activities (up to 3 days duration)	£51	£36
Standard activities	£126	£74
Minor activities	£51	£36
Immediate activities	£45	£31
Permit variation	£45	£35

- 6.4 The Department for Transport benchmark for the economic viability of a road related scheme is that a Benefit to Cost Ratio (BCR) in excess of 2 provides high value for money. The calculated BCR for this permit scheme is 6.95 indicating that the Permit Scheme would be high value for money.
- 6.5 There will be a requirement to procure an upgrade to the Mayrise software currently used by the service. This cost of this will be met from service specific balance sheet reserves prior to implementation of the permit scheme.
- 6.6 There will be a requirement to employ additional staff prior to implementation date of the permit scheme in order to facilitate appropriate training and testing of systems and procedures. The cost of this will be covered from service specific balance sheet reserves prior to implementation of the permit scheme.

7. Legal implications

- 7.1 The Deregulation Act 2015 removes, in England, the requirement for permit schemes to be approved by the Secretary of State and given effect by Statutory Instrument (SI). The 2015 Act amends the Traffic Management Act 2004 enabling authorities (local highway authorities or strategic highway companies) to make their own schemes and to vary or revoke existing schemes.
- 7.2 The permit scheme must comply with the Traffic Management Permit Scheme (England) Regulations 2007; and, the Traffic Management Permit Scheme (England) (Amendment) Regulations 2015.

8. Procurement Implications/Social Value

- 8.1 There will be a requirement to upgrade the existing Mayrise software programme currently used to assist with the coordination of road works. Discussions with the Council's ICT Deliver Manager are ongoing to ensure the upgrade meets the Council security and operational requirements whilst also exploring how this will fit with the Council's emerging new service delivery model.

9. Property implications

- 9.1 None arising as a result of this report

10. Health and wellbeing implications

- 10.1 Implementation of the permit scheme will have positive implications for the health and wellbeing of all Walsall residents and visitors as a result of reduced air and noise pollution associated with road works.

11. Staffing implications

- 11.1 There will be a requirement to restructure the existing traffic Management and Coordination team.
- 11.2 As a result of the need to restructure and refocus the skill base of the existing team, it is anticipated there will be 1 redundancy, 5 assimilations into post and the creation of 7 new posts.
- 11.3 All of the existing team members are aware of the outline proposals and the potential implications for their post having already contributed to the development of the draft permit scheme. Should Cabinet approve implementation of the permit scheme, the Council's formal procedures for managing organisational change will be undertaken.

12. Reducing inequalities

- 12.1 There is a requirement that requests for a permit; the consideration of all works; and the value added by the permit authority to each permit application received are treated equally regardless of the works promoter. Section 1.1 of the permit scheme demonstrates that the permit scheme has been developed and drafted to ensure this requirement has been met.

13. Consultation

- 13.1 Statutory consultation has been undertaken in accordance with the requirements of Regulation 3 of the Traffic Management Permit Scheme (England) Regulations 2007. Consultation was undertaken 4 October 2018 - 18 November 2018 with feedback considered and used to shape the draft permit scheme within legislative constraints. A full table of consultation comments received and how these have been considered and shaped the final permit scheme has been shared with all consultees.

Background papers

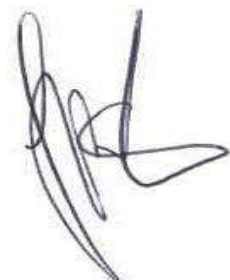
Department for Transport Statutory Guidance for Highway Authority Permit Schemes October 2015.

Corporate Budget Plan 2017/18 to 2020/21 and Treasury Management and Investment Strategy 2018/19 Onwards.

Permit Scheme supporting document (Appendix B)

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4 December 2018



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4 December 2018