

**Meeting date:** 14<sup>th</sup> September 2022

**Report to:** Stronger Communities and Neighbourhood Services Scrutiny Board

**Subject/report title:** Highway Works Permit Scheme – Update report

**Report from:** Head of Highway Management

**Report author/lead contact officer:** Paul Tovey, Head of Highway Management,  
David Keaney, Traffic Manager  
Kim Stone, Permit Scheme Manager

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**Wards affected:**

- All Wards |  Bickenhill |  Blythe |  Castle Bromwich |  Chelmsley Wood |  
 Dorridge/Hockley Heath |  Elmdon |  Kingshurst/Fordbridge |  Knowle |  
 Lyndon |  Meriden |  Olton |  Shirley East |  Shirley South |  
 Shirley West |  Silhill |  Smith's Wood |  St Alphege
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**Public/private report:** Public

**Exempt by virtue of paragraph:** Not exempt

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**1. Purpose of Report**

- 1.1 To review the Council's Highway Works Permits Scheme to ensure objectives are being met and to consider the associated improvement plan, prior to submitting the performance report to the Department for Transport (DfT).

**2. Decision(s) recommended**

- 2.1 Scrutiny Board is asked to note the contents of the report and provide comments / recommendations to be shared with the Cabinet Member for Environment and Infrastructure regarding:
- (a) Progress against the Highway Works approved Solihull Permit Scheme objectives, as set out in **Appendix B**.
  - (b) The 3 year outputs and benefits delivered from the scheme since it went live in October 2018, as set out in **Appendix C**.

- (c) The suggested Service Priorities Action Plan as set out in the report and **Appendix F**,
- (d) Agree that comments be shared with the Cabinet Member for Environment and Infrastructure at the December 2022 decision-making session.

### 3. Matters for Consideration

- 3.1 **The Statutory context** – The Council as Local Highway Authority is responsible for the efficient co-ordination of all street and road works within the borough. Statutory duties placed on the Authority in this regard are set out in the Traffic Management Act (TMA) 2004. The Highways Management Service discharges this duty on behalf of the Council and in doing so seeks to:
  - (a) ensure safety
  - (b) minimise inconvenience to people using a street, including a specific reference to people with a disability
  - (c) protect the structure of the street and the apparatus in it.
- 3.2 Part 3 of the TMA and associated regulations (2007) as amended, allow Highway Authorities to introduce Permit Schemes to deliver this duty. Before doing so, Authorities are required to assess the impact of introducing a scheme and demonstrate the value that doing so may provide. The DfT has produced Moving Britain Ahead - Statutory Guidance for Highway Authority Permit Schemes which sets out the process. This was most recently updated in July 2022.
- 3.3 **The Permit Scheme Business case** – In 2017, the Council carried out a detailed review of its street works co-ordination function with the intention of determining the merit of transitioning from a street works noticing system to one where work promoters are required to obtain a permit in advance of any planned work.
- 3.4 The primary objective identified through this review was to *“to improve the strategic and operational management of the highway network through better planning, scheduling and management of activities (road and street works) to minimise disruption to all road users.”*
- 3.5 Specific benefits sought through the introduction of a Permit Scheme included:
  - (a) reduce disruption on the road network
  - (b) improve overall network management
  - (c) reduce delay to the travelling public
  - (d) reduce costs to businesses caused by delays
  - (e) create a safer environment
  - (f) reduce carbon emissions

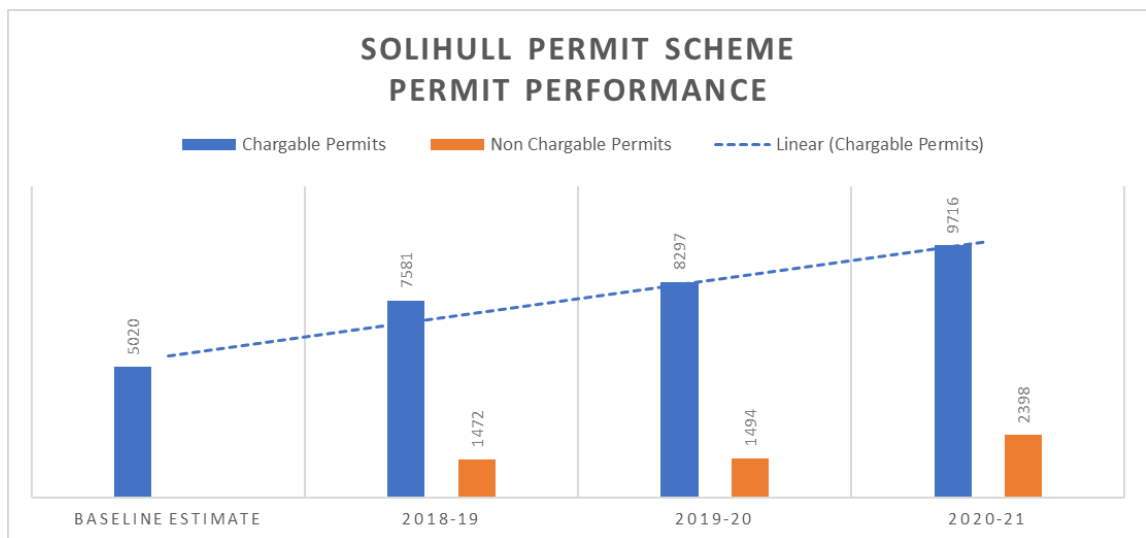
- (g) focus on first-time permanent reinstatements
- (h) co-ordinate Utility works on the highway network

- 3.6 Following the statutory guidance referenced in 3.2 above, a business case, which considered the costs and benefits of introducing a scheme was produced. Further information on this process, including the results of the statutory consultation process is set out in **Appendix A**.
- 3.6.1 The result of the review demonstrated that the introduction of a highway permit scheme would have significant benefits in terms of how highway works, taking place on the borough's roads, are managed and mitigated. Importantly, the relationship with works promoters would change from the arrangement where the Authority was notified that a third party would be carrying out works on a road in the borough to one where the works promoter needed to apply and be granted approval to work on a specified road. Carrying out works without an approved permit became a criminal offence for which a fixed penalty notice could be issued.
- 3.6.2 The review showed that the noticing-based system, which the authority was not permitted to recover its costs for operating, was under resourced and unable to effectively co-ordinate works. It was estimated that annually over 5,000 chargeable permits would be submitted in the first year alone, and would generate over £320k in revenue. It was suggested that a team of 5 full time staff (an increase of 150% over levels at the time) would be required to manage and process permits. It was intended that the permit scheme would operate on a cost neutral basis with any surplus being reinvested into the service to aid the ongoing operation of the scheme (a statutory requirement that funds generated through the scheme be used only for costs occurred in operating the scheme).
- 3.6.3 As a result, following the establishment and training of a dedicated team, the Solihull Highway Works Permit Scheme was launched in October 2018.
- 3.6.4 The Permit Scheme applies to works on all adopted, publicly maintainable streets in Solihull, including road works undertaken by the Council as the Highway Authority and street works carried out by Statutory Undertakers or Public Utility Companies.
- 3.6.5 Through the Permit Scheme, the Council has enhanced its ability to co-ordinate essential works, supporting businesses, economic growth, getting people into work, and children to school safely, improving air quality and protecting and enhancing the borough's unique natural and local environments.
- 3.6.6 The Scheme has resulted in greater control over road and street works taking place in Solihull and by directing works to be carried out at the least disruptive time, along with suitable traffic management, the impact of works has reduced.
- 3.6.7 **Operational Performance** – In order to ensure permit schemes are operating effectively in line with the scheme's original targets, as well as statutory guidance, Local Authorities are required to review the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> year's operational performance, after which time a review is undertaken after a further 3 years i.e. year 6.

3.6.8 Performance reviews for years 1 and 2 have previously been completed and published in line with the DfT guidance. The review of performance in year 3 has now been completed and is scheduled to be presented to the Cabinet Member of Environment and Infrastructure at the December 2022 meeting along with any recommendations resulting from this Scrutiny Board.

3.6.9 A copy of the performance data for years 1 to 3 is in **Appendix C**.

3.6.10 The data demonstrates that the number of permit applications received since the scheme launched has significantly exceeded the initial base line estimates and consequently revenue generation has exceeded targets, as summarised below:



3.6.11 In total, over 30,000 permits have been processed through the scheme in the last three years. It is important to note that the role of the team is to facilitate works wherever possible and approval cannot unreasonably be withheld. On average, over 95% of all requests are granted.

3.6.12 It should be noted that in the case of emergency or immediate unplanned works (such as a loss of service or water leak), a utility provider is entitled to attend site prior to applying for a permit. Such instances limit the Council's ability to co-ordinate this type of work and consequently they can be quite impactful on the network when they occur. Typically, there are around 1,745 such events annually. Looking forward, a priority of the service in 2023/24 will be to review historical trends associated with emergency and immediate works to establish patterns and to then work and support asset owners to identify underlying issues and potential solutions to reduce occurrences.

3.6.13 The reviews undertaken into the service have demonstrated that despite the challenges faced, the introduction of the scheme has resulted in greater control over road and street works taking place. Importantly, whilst the number of individual requests to carry out street works has increased, the number of days of actual occupation on the network has not.

3.6.14 This has been achieved through a collaborative approach where constructive engagement, dialogue and conditioning of works has reduced the average occupation of the highway from an average of 3.5 days to 2.9 days.

- 3.6.15 Duration challenges are another example of how the scheme benefits the operation and efficiency of the highway network, reducing delay, congestion and driver frustration. Over the course of the first three years of the scheme, over 582 days of network occupation have been saved.
- 3.6.16 **Resource plan** – The level of service demand summarised in the graph at section 3.6.10 has necessitated the expansion of the permit team over the same period. In addition to the original 6 members of the team, a further 2 members of staff were brought into the service following the reshaping of the Neighbourhood Co-ordinator service in 2020. In 2021, the team expanded again with 2 further members of staff, including a fixed term highways permit co-ordinator dedicated to City Fibre contract to roll out of super-fast broadband in the Borough. The team has also taken on a business apprentice supporting the wider finance and administrative functions. Consequently, there are now 10 members of staff working full time on the permit scheme, all fully funded from the ring fenced revenue generated from the permit applications and fixed penalty fines.
- 3.6.17 **Emerging Priorities** – Since the introduction of the Scheme in 2018, there have been significant changes in network use and layout. Some of these changes have come about as a result of known planned works such as HS2, the Commonwealth Games and National Highway Improvements, whilst other such as Covid-19 were not.
- 3.6.18 Whilst the Scheme has undoubtedly aided the Council in co-ordinating and responding to emerging issues, it should be noted that there have been several national DfT promoted initiatives which have been introduced to enable permit schemes to continue to operate effectively and aid the management of works impacting the public highway.
- 3.6.19 **Street Manager system** – In July 2020, the DfT launched a new data management and communication convention to aid the sharing of street and road works information. This mandated protocol and web-based software, dictates how Authorities communicate with work promoters when applying, responding and issuing permits, together with any associated conditions. The new protocol has been successfully implemented into the Council's existing permitting system and additional costs associated with operating this new system have been funded directly from the permit scheme.
- 3.6.20 This system is used alongside the national **one.network** platform to co-ordinate and analyse potential clashes and issues associated with other works taking place on the network. This public facing platform is particularly important when considering larger schemes, including cross boundary co-ordination which is a statutory duty for all local highway authorities.
- 3.6.21 **Statutory Guidance Update** – The DfT has recently updated their Statutory Guidance. These updates, due to come into force in April 2023, introduce changes associated with work inspections and charging. This is intended to simplify the inspection process and enable a more tailored approach to be established in terms of managing poor performance and encouraging improvement. The revised guidance also introduces changes intended to aid the roll out of large-scale network improvements such as superfast broadband.

- 4. What options have been considered and what is the evidence telling us about them?**
- 4.1 The introduction of the permit scheme in 2018 coincided with an expansion of highway works across the borough. The Council's enhanced ability to review and co-ordinate works taking place is reducing delay and congestion and thereby improving road safety risk in line with the Scheme objectives.
- 4.2 Whilst works associated with HS2 and the National Highways J6 improvement scheme sit outside of the Scheme (as directed nationally and allowed for by their respective Bills), the Council's ability to have greater oversight and co-ordination of other works taking place around and on the same network has significantly improved how such works are managed and co-ordinated.
- 4.3 It is noted that a lack of forward planning notification by works promoters has, at times, limited opportunities to co-ordinate certain works. This has been highlighted as a priority moving forward and ensuring that works promoters effectively engage in the quarterly co-ordination process, provide accurate and specific works descriptions in permit applications, and improved use of the forward plan notification process, should improve this issue.
- 4.4 This is particularly important due to the increase in large scale programmes of work being promoted by utility partners and the drive nationally to introduce flexible permits to facilitate such initiatives. Despite the challenges that such programmes inevitably bring, they also provide an opportunity to establish and drive good performance through effective management and collaboration. A case study relating to the recent City Fibre works undertaken in the Borough is provided in **Appendix D**.
- 4.5 The experience and lessons learned from such projects have demonstrated the importance of ensuring that customers and residents are kept updated by works promoters, including any unplanned or late notice changes. Whilst public engagement is a typical condition associated with the granting of major permits, opportunities to enhance this, such as evidence of delivery through GPS traces or written evidence of resident's notification will help to improve the service residents and customers receive. It is also important to ensure that residents are aware of who is undertaking the work, why it is being undertaken, for how long and have contact information should there be an issue. Residents and stakeholders should be encouraged to contact the work's promoter directly, as they are always best placed to respond and resolve any concerns.
- 4.6 One of the improvement measures introduced through the Scheme has been a coring programme, which is the first of its kind in the Borough. Through the programme, sample cores are taken of the reinstated highway to assess compliance against national standards. The sample assesses material types, construction depths and compaction levels of the work with any cores failing being defected and subject to replacement by the works promoter at their cost. The Council is able to recover costs associated with taking the sample, as well as processing the new permit necessary for the works promoter to carry out repairs.
- 4.7 During 2020/21, 89 cores were carried out of which, 24 failed, although there was no one Utility Company failing above others. Initially the coring samples were targeted at

sites that had been identified as a concern, which produced a higher failure rate. Six months into the project random selected sites showed that the overall failure rate was much lower, indicating that most reinstatements are being carried out to a suitable standard.

4.8 Following this evaluation, it is proposed to continue the coring programme alongside the sample inspection regime at sites where there is a suspected problem and results will be used to support the default process for utility works that fail to meet standards.

**5. Reasons for recommending preferred option**

5.1 The first three years of the operation of the Permit Scheme have coincided with a period of significant change in network use and demand. As such, comparison between years is difficult and there is some uncertainty as to whether subsequent years will follow the patterns seen during the first three years of operation.

5.2 Feedback from utility partners indicate that it is likely that current level of service demand will continue for several years as the focus to deliver large scale upgrades to services and networks continues. Additional utility and service diversions necessary to enable large scale schemes, such as HS2 and the J6 improvements will also bring an additional service demand and benefit associated with the effective co-ordination and management of work.

5.3 As part of the annual review process to consider how the Scheme is performing, a number of key recommendations have come forward which are summarised in **Appendix E**. These recommendations are intended to ensure that the Scheme continues to add value and benefit residents of the borough.

5.4 Over the first three years of the scheme, it was necessary to grow the Permit Scheme team to respond to service demand.

**6. Implications and Considerations**

6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

Priority:	Contribution:
<p>People and Communities:</p> <ol style="list-style-type: none"> <li>1. Improving outcomes for children and young people in Solihull.</li> <li>2. Good quality, responsive, and dignified care and support for Adults in Solihull when they need it.</li> <li>3. Take action to improve life chances and health outcomes in our most disadvantaged communities.</li> <li>4. Enable communities to thrive.</li> </ol>	<p>One of the key benefits of the Permit Scheme is that it enables improved notice and communication of works to effected communities. This in turn then enables the local community to make informed travel choices when planning journeys in the borough.</p>
<p>Economy:</p>	<p>Better co-ordination of highway works will help ensure that future residential and</p>

Priority:	Contribution:
<p>5. Develop and promote the borough's economy, with a focus on revitalising our town and local centres.</p> <p>6. Maximising the opportunities of UK Central and HS2.</p> <p>7. Increase the supply of affordable and social housing that is environmentally sustainable.</p>	<p>commercial developments can be delivered efficiently and on time. Reliable journeys on well maintained and accessible roads which support a range of transport choices will help to promote sustainable growth. A collaborative approach with utility partners enables them to effectively manage their assets, programming in improvements and making new connections as part of a vibrant and developing borough.</p>
<p>Environment:</p> <p>8. Enhance our natural environment, improve air quality and reduce net carbon emissions.</p>	<p>By successfully challenging and co-ordinating proposed works the scheme can reduce delay and congestion, positively contributing to the Council's wider air quality improvement targets.</p>
<p>9. Promote employee wellbeing</p>	<p>An efficient and effective highway network aids employees access to work and work sites. This can reduce delay and congestion which can lead to driver frustration and contribute to stress.</p>

## 6.2 Consultation and Scrutiny:

- 6.2.1 A statutory consultation exercise was undertaken as part of the development and establishment of the Solihull Permit Scheme. An independent review of the service was undertaken after the first year which found it to be operating effectively in line with the original intentions of the scheme. However, Covid-19 has meant that operational data for the scheme over the subsequent 2 years may not be representative of a typical year. Whilst it had initially been hoped to carry out a full Benefit Cost Ratio (BCR) review of the scheme for year 3, due to the ongoing impact of Covid-19, there would be limited value in carrying out a further assessment at this time. It is however noted that the scheme continues to perform well and on the basis of the initial review there are no reasons to suggest that the BCR value would have varied significantly. It is, therefore, proposed that this assumption will be reviewed as part of the next 3-year review which will take place from November 2025.
- 6.2.2 Any recommendations or proposals resulting from this review by the Stronger Communities and Neighbourhood Services Scrutiny Board will be fed into and considered as part of the December 2022 report to the meeting of the Environment and Infrastructure Cabinet Member Decision Session.
- 6.2.3 The service has proposed an internal audit review, which is scheduled to take place in Quarter 4 of 2022. This will provide an independent check of processes and performance and identify any opportunities to enhance the service.



### **6.3 Financial implications:**

- 6.3.1 The most recent financial year performance of the Permit Scheme is included in Appendix C.
- 6.3.2 Financial reporting of permit scheme performance has previously been based around the go live date of the scheme meaning that financial monitoring of a permit scheme year (1<sup>st</sup> October to 30<sup>th</sup> September) spanned across two financial years. This created difficulties from an accounting perspective including tracking and accounting invoices across both the scheme and financial years.
- 6.3.3 As a result, to simplify and bring the management of the permit schemes accounts in line with the Council's wider accounting procedures, the income/costs of the permit scheme will be reported on a financial year basis (1<sup>st</sup> April to 31<sup>st</sup> March) to improve reporting efficiency and future monitoring of the service. Income from the permits scheme is ring fenced to offset against the costs of providing the service.
- 6.3.4 There are no wider financial implications as a result of the recommendations within this report.

### **6.4 Legal implications:**

- 6.4.1 The Solihull Permit Scheme is a Single Permit Scheme for the purposes of Part 3 of the Traffic Management Act 2004 (TMA) and the Traffic Management Permit Scheme (England) Regulations 2007 (the Permit Regulations).
- 6.4.2 Section 16A of The Traffic Management Permit Scheme (England) (Amendment) Regulations 2015 requires a local authority operating a permit scheme to carry out an evaluation of the scheme in years 1, 2 and 3 and then after every 3 subsequent years.
- 6.4.3 The preparation of this report including its appendices is part of the steps taken by the authority to discharge the legal requirements placed on the Authority, with copies of the various documents being made available online for public scrutiny once published.

### **6.5 Risk implications, including Risk Appetite:**

- 6.5.1 It is a requirement of the Traffic Management Permit Scheme Regulations for a Permit Authority (the Council) to evaluate the performance and operation of its permit scheme. Failure to do so could result in the Department for Transport withdrawing permission for the Authority to operate the scheme or impose specific conditions around its finance model. In such a case our ability to recover our costs associated with operating the scheme would be significantly impaired which could add an unanticipated budget pressure of the service.
- 6.5.2 The Permit scheme has demonstrated its ability to control and aid the co-ordination of road and street works in the borough. Failing to operate a permit scheme effectively reduces our ability to effectively manage such works and minimise their impact on the travelling public and other road users.
- 6.5.3 Based on the available information it is the officers' opinion that there is no net "Red" risk to the Council associated with the recommendation of the report. The Corporate Risk Management Approach has been complied with to identify and assess the

significant risks associated with this decision / project. This includes (but is not limited to) political, legislation and reputation risks.

- 6.5.4 The Approach is not intended to eliminate all risks and not all the risks identified can be managed all of the time. Also, risks will still exist that have not been identified.
- 6.5.5 Based on the available information it is the officers' opinion that there are no net "Red" risks to the Council associated with the recommendation of the report.

## 6.6 **Equality implications:**

- 6.6.1 The operation of a successful and efficient highway works permit scheme has the potential to significantly reduce road and street work occupation. This reduces both delay and clutter on the highway and in the public realm which aids and enables all people to access and use this public asset.
- 6.6.2 Reducing occupation of roads and public space is a particular benefit for vulnerable road users, such as those with sight loss, to whom poorly planned and laid out traffic management can form a significant hazard and barrier to accessing facilities and services.
- 6.6.3 Details of road and street works are published on the one.network public facing portal which is available to everyone free of charge and can be accessed on any internet enabled device. This provides access to information on when and where works are taking place, enabling people to make informed decisions as well as providing contact details should they need to raise an issue.

## 6.7 **Linkages to our work with the West Midlands Combined Authority (WMCA), Local Enterprise Partnership or the Birmingham & Solihull Integrated Care System (ICS):**

- 6.7.1 The Solihull Permit Scheme applies to all local public roads in the borough managed by Solihull Council as the Highway Authority. This includes those roads identified by Travel for West Midlands on behalf of WMCA as part of the regional Key Route Network. Through the permit scheme road and street works on all roads including the Key Route Network are effectively managed and co-ordinated including consideration of cross boundary implications to ensure a joined-up approach is taken with regards to the planning of road works.

## 7. **List of appendices referred to**

- 7.1 Appendix A – April and November 2017 Streetworks Cabinet Reports.
- 7.2 Appendix B – Solihull Permit Scheme Document.
- 7.3 Appendix C – Solihull Permit Scheme Operational Summary (Years 1 to 3).
- 7.4 Appendix D – Solihull Permit Scheme City Fibre Case Study.
- 7.5 Appendix E - Solihull Permit Scheme Service Priorities Action Plan

**8. Background papers used to compile this report**

8.1 Moving Britain Ahead - Statutory Guidance for Highway Authority Permit Schemes (July 2022)

**9. List of other relevant documents**

9.1 NA