

SOLIHULL METROPOLITAN BOROUGH COUNCIL

Report to:	CABINET MEMBER FOR TRANSPORT AND HIGHWAYS
Meeting date:	6 th APRIL 2017
Subject/Report Title:	STREET WORKS - PERMITTING
Report from:	HEAD OF HIGHWAY SERVICES
Report Author/Lead Contact Officer:	DAVID KEANEY / PAUL TOVEY
Wards affected:	<input checked="" type="checkbox"/> All Wards <input type="checkbox"/> Bickenhill <input type="checkbox"/> Blythe <input type="checkbox"/> Castle Bromwich <input type="checkbox"/> Chelmsley Wood <input type="checkbox"/> Dorridge/Hockley Heath <input type="checkbox"/> Elmdon <input type="checkbox"/> Kingshurst/Fordbridge <input type="checkbox"/> Knowle <input type="checkbox"/> Lyndon <input type="checkbox"/> Meriden <input type="checkbox"/> Olton <input type="checkbox"/> Shirley East <input type="checkbox"/> Shirley South <input type="checkbox"/> Shirley West <input type="checkbox"/> Silhill <input type="checkbox"/> Smith's Wood <input type="checkbox"/> St Alphege
Public/Private report:	Public
Exempt by virtue of Paragraph:	N/A

1. Purpose of Report

- 1.1 To advise Cabinet Member of the West Midlands Combined Authority proposals affecting the co-ordination of road and street works on the region's Key Route Network.
- 1.2 To consider the Highway Service's Street Works service in line with the Department for Transport's advice in respect of how best to manage and co-ordinate road and street works in the future.

2. Decision(s) Recommended

2.1 Cabinet Member is asked to:

- (a) note the West Midlands Combined Authority proposal to introduce a Permitting system for works affecting the West Midlands Key Route Network by October 2018 (see Appendix A).
- (b) agree to carry out an options appraisal for the management and co-ordination of Street works on the highway network in Solihull, and
- (c) receive a further report by December 2017 which will set out the project's findings and make recommendations regarding how the service should be delivered in the future.

3. Background

3.1 The Council in its role as Local Highway Authority is responsible for the efficient co-ordination of all street and road works within the borough. In doing so the Highway Services Team 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 Solihull currently operates a noticing system on all routes and for all work types across the borough. Under this system, electronic notices are sent by utility companies (Street Works) and other works promoters including the Council's own programme of capital and revenue projects (Road Works) to inform the co-ordination process. In so doing, the service is largely reactive in its approach to the management of highway works, and can limit our ability to shape and influence when and how works take place in the borough.

3.3 With the introduction of the Traffic Management Act 2004, the Department for Transport (DfT) allowed local highway authorities to apply and use permit schemes effectively to improve the management and co-ordination, reduce congestion and disruption caused by street and road works.

3.4 The move to a permit scheme enables authorities to become more proactive in their approach. This enhanced ability brings with it the responsibility to use the additional powers in a way that enables authorities to demonstrate not only better management of its highway network, but also benefits for the wider authority and for stakeholders in the movement of people and goods in support of the Council's economic growth.

3.5 Acknowledged benefits of Permit Schemes include:

- Encouraging collaborative working processes and procedures.
- Greater control on duration and timing of work to reduce impact on network users.
- Increased road user satisfaction with management of works on the highway.
- Reduction in safety hazards and incidents in and around work sites.
- Greater co-operation between different work promoters.

- Improved productivity of highway contractors.
- Reduction in the impact of works on local residents and businesses
- Reduction in the impact of works on public transport.
- Reduction in the impact of works on vulnerable people.
- Protection of the structure of the highway and apparatus within it, in a way that helps manage long term maintenance costs (i.e. more first time permanent reinstatements).
- Better information for road users about works in the highway.
- Improved compliance with highways legislation by works promoters.
- Greater adoption of less invasive work methods, and measures to mitigate the impact of excavation.

3.6 The DfT recently removed the requirement for authorities to apply for permission to introduce permit schemes. This has encouraged authorities to review their processes and consider the business case for a permit scheme within their administrative areas. With regard to our neighbouring authorities, Warwickshire and Coventry are already operating a shared permit scheme; Birmingham City Council has completed their review and is actively working towards implementing a permit scheme later this year. Like Solihull, the Black Country authorities are reviewing their permitting business case.

3.7 The West Midlands Combined Authority recently considered the need to improve the co-ordination of works affecting the Key Route Network (see Appendix A). The projected growth from major investment projects across the region; some significant planned maintenance schemes on the Strategic Network, together with the construction period for the HS2 project are the key drivers behind this change. As a result, they have approved the use of their concurrent powers in the event that the West Midlands Local Highway Authorities do not have a permitting system operating by October 2018.

4. Evaluation of Alternative Option(s)

4.1 It is recognised that Solihull also faces many challenges and opportunities associated with future growth and changes to administrative functions including:

- The creation of a West Midlands Combined Authority and the associated implications associated with the management of the regions Key Route Network as set out in section 3.5 above.
- The opportunities provided through the development of the UK Central Hub and High Speed Rail 2.
- The delivery of the Authority's Transport Strategy - Solihull Connected.
- The Council's Medium Term Financial Strategy.

4.2 It is further acknowledged that the introduction of a permit based system can aid street and road works co-ordination and have a positive impact on how the team manages congestion on the network and reduces the associated disruption.

- 4.3 In order to ensure that the authority is in the best position moving forward to positively contribute and respond to emerging priorities and future network pressures, a cost benefit and options analysis around this function is currently being commissioned, the purpose of which is to:
- (a) Assess options around the future direction of the authority's street works function, specifically around the feasibility and implications of moving to a permit based system and to subsequently produce a business case to validate the resulting preferred option.
 - (b) Provide guidance, recommendations and subsequently assistance to develop and implement the preferred option.
- 4.4 The process will also include a review of our current operating processes and consider the following 4 options investigated and analysed through the use of cost benefit analysis.
- (a) Implementation of a whole network permit scheme within the borough
 - (b) Implementation of a permit scheme on the Key Route Network, with notices applying to the rest of the network
 - (c) Implementation of a permit scheme on selected traffic sensitive routes within the borough; whilst retaining a notice based system on local roads
 - (d) Retention of the existing notice based system.
- 4.5 The Business Case will also consider how best to deliver the service in the future. This process will include a review of the current in-house service provided by officers in Highway and Neighbourhood Services, together looking at the potential benefits of entering into a shared service with our neighbouring authorities.

5. Reasons for Recommending Preferred Option

- 5.1 By undertaking a full review and cost benefit analysis of the options set out within section 4, the authority will have a clear understanding of the financial, people, and reputational benefits and risks associated with each option.
- 5.2 The analysis will also consider and set out the wider service benefits anticipated from each option, including the:
- (a) Reduction in disruption to road users
 - (b) Increase in safety for road users
 - (c) Increase in safety for workers on the road
 - (d) Increased protection for road infrastructure
 - (e) Increase in public satisfaction with the management of road works, reflected in the quality of life for local communities.
- 5.3 By undertaking this review now, we will be able to both inform and respond to the emerging work being undertaken by West Midlands Combined Authority in relation to their interest in the Key Route Network, whilst ensuring that the service is best placed moving forward to positively contribute and assist in enabling the Council's corporate priorities around delivering managed growth within the borough.
- 5.4 The service does not have sufficient spare resource or the degree of independence required to carry out the review therefore, it is proposed to engage the services of a specialist consultant to carry out the investigation. It is important for the cost benefit analysis to be completed by the end of the summer to enable a further report to be considered by Cabinet Member by the end of this year.

6. Scrutiny

6.1 This matter has not been considered by the Scrutiny Board.

7. Implications

7.1 Delivery of the Council's Priorities

The options/proposals in this report will contribute to the delivery of the following Council Priority(ies):

- Managed Growth by supporting major development projects including HS2 and UKC
- Build Stronger Communities by removing congestion and levels of local disruption and
- Deliver Value through fully recovering the Authority's costs creating a self-funded service and contributing to the wider work of the department.

7.2 Policy/Strategy Implications

7.3 There are no policy or strategy implications as a result of the recommendations in this report. Should any preferred option identified from this work result in a change of operational policy, then such matters will be considered in the follow up report.

7.4 Meeting the duty to involve

7.5 As part of the costs benefit and options analysis, key stakeholders including Transport for West Midlands, Neighboring Authorities and Public Utility Companies will be engaged and their comments feed in to the that process as detailed in the DfT's guidance document.

7.6 Financial Implications

7.7 The anticipated cost for commissioning a specialist consultancy to carry out an independent review of the service and cost benefit analysis of the identified options is anticipated to be in the region of £15,000 which will be funded from the existing Street Works revenue budgets.

7.8 Through this piece of work any financial implications including proposed operational costs; fee structures and set up costs will be established for the Street Works Service and details will be included in a subsequent report.

7.9 Permit Systems are controlled by the provisions of the Traffic Management Act which also defines the fees scales and penalty charges. These statutory costs will be considered as part of developing the business case.

7.10 Legal implications

7.11 None as a result of the recommendations in the report.

7.12 In order to implement a permit scheme, the Council needs to demonstrate that they have conducted and fully justified the introduction of such a scheme. As such within the options appraisal the following processes and industry best practice will be adhered to:

- Guidance Document 1 - 'Assessing the Extent of Street Works and Monitoring the Effectiveness of Section 74 in Reducing Disruption: Third Annual Report – April 2003 to March 2004

- Volume 3 – Estimation of the Costs of Delay from Utilities’ Street Works’ (July 2004)
- Advice Note For local Highway Authorities developing a new or varying existing Permit Schemes
- Guidance Document 2 - ‘Traffic Management Act 2004: Permit Schemes Decision Making and Development (Draft Amended Extract Executive Summary) – Annex C’

7.13 Risk Implications

7.14 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.

7.15 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.

7.16 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.

7.17 Statutory Equality Duty

7.18 None at this stage in the process. A Fair Treatment Assessment will be included as part of the proposed review of how the service is delivered in the future.

7.19 Carbon Management/Environmental

7.20 Effective network management has the potential to have a positive impact on both Carbon Management and the Environment through a reduction in congestion which would have the potential of reducing CO2 emissions whilst improve air quality.

7.21 Partner Organisations

7.22 As part of the optional analysis process set out within this report it would be our intention to engage with neighbouring authorities including Transport for West Midlands to explore and understand partnering opportunities to add value and standardise the permitting process across the region to aid works promoters.

7.23 Safeguarding/Corporate Parenting Implications

7.24 None as a result of the recommendations of this report.

7.25 Customer Impact

7.26 Implementation of effective street works co-ordination has the potential to have a range of benefits for customers, including reduced delay and congestion, safer and better maintained roads as well as increased information and notice of works.

7.27 Other implications

7.28 None as a result of the recommendations of this report.

8. List of Appendices Referred to

8.1 Appendix A - Plan of the Key Route Network in Solihull

9. Background Papers Used to Compile this Report

9.1 A3 Project Plan on Street Works Permitting (2016)

10. List of Other Relevant Documents

- 10.1 DfT - Permit Scheme Advice Note: Implementing changes required by 1 October 2015
- 10.2 DfT Advice Note: For Local Highway Authorities developing new or varying existing permit schemes. June 2016
- 10.3 The Traffic Management Act 2004

SOLIHULL METROPOLITAN BOROUGH COUNCIL

Report to:	CABINET MEMBER FOR TRANSPORT AND HIGHWAYS
Meeting date:	2 November 2017
Subject/Report Title:	STREET WORKS SERVICE UPDATE
Report from:	HEAD OF HIGHWAY SERVICES
Report Author/Lead Contact Officer:	DAVID KEANEY / PAUL TOVEY
Wards affected:	<input checked="" type="checkbox"/> All Wards <input type="checkbox"/> Bickenhill <input type="checkbox"/> Blythe <input type="checkbox"/> Castle Bromwich <input type="checkbox"/> Chelmsley Wood <input type="checkbox"/> Dorridge/Hockley Heath <input type="checkbox"/> Elmdon <input type="checkbox"/> Kingshurst/Fordbridge <input type="checkbox"/> Knowle <input type="checkbox"/> Lyndon <input type="checkbox"/> Meriden <input type="checkbox"/> Olton <input type="checkbox"/> Shirley East <input type="checkbox"/> Shirley South <input type="checkbox"/> Shirley West <input type="checkbox"/> Silhill <input type="checkbox"/> Smith's Wood <input type="checkbox"/> St Alphege
Public/Private report:	Public
Exempt by virtue of Paragraph:	N/A

1. Purpose of Report
<p>1.1 To note the positive outcome from the Cost Benefit Analysis and associated business case which sought to review the feasibility of introducing a Highway Works Permit Scheme in Solihull.</p> <p>1.2 To seek approval to progress the statutory consultation process for the introduction of a Permit Scheme and authorise the Chief Executive Officer to implement the associated legal powers necessary to manage and co-ordinate essential Public Utility and other highway works on the highway network, and</p>

1.3 To agree to receive a further report in January 2018, to monitor progress and consider the resource implications of the new Highway Works Permit Scheme.

2. Decision(s) Recommended

2.1 Cabinet Member is asked to:

- (a) Note the positive outcome from the Highway Works Permit scheme Cost / Benefit analysis as summarised in section 4 and Appendix C.
- (b) Support the implementation of a Highway Works Permit Scheme, based on the Department for Transport standard conditions as set out in Appendix D, subject to the outcome of the consultation exercise,
- (c) Note the consultant's recommendation that the new permit service should be delivered by the Council and apply to works on all types of street,
- (d) Agree to use the Department for Transport's maximum fees as detailed in paragraph 7.10, and
- (e) Agree to receive a further report setting out the associated legal, IT system and staff implications in January 2018.

3. Background

3.1 At the Transport & Highways Cabinet meeting in July 2017, approval was obtained to produce a Cost Benefit Analysis for the introduction of a Highway Works Permitting Scheme. The intention being to investigate the feasibility of replacing the current streetworks noticing system to improve how works on the public highway are co-ordinated and managed for the overall benefit of the travelling public and the local economy.

3.2 Part 3 of the Traffic Management Act 2004 (TMA) and associated regulations (2007) as amended allow a Highway Authority to introduce a Permit Scheme to deliver the Council's duty to co-ordinate works of all kinds on the highway including temporary occupation and use of the highway by all work promoters e.g. Public Utility companies, council highway improvements and maintenance schemes.

3.3 The primary objective of the Highway Works Permit Scheme is 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.

3.4 Key scheme objectives and benefits are to:

- reduce disruption on the road network
- improve overall network management
- reduce delay to the travelling public
- reduce costs to businesses caused by delays
- create a safer environment
- reduce carbon emissions
- focus on first-time permanent reinstatements
- co-ordinate Utility works on the highway network

3.5 Additionally, financial penalties may be imposed for works promoters who do not complete works on time; for working without a Permit or who breach the conditions of

a Permit (e.g. working at peak times on main routes without consent).

3.6 With respect to improving road and pavement reinstatements, the current system allows works promoters to undertake a temporary reinstatement and to return within a maximum period of 6 months to undertake a permanent high quality reinstatement. The proposed Permit Scheme will focus on encouraging Utilities to undertake first time permanent reinstatements.

3.7 To assist with the review process the Highway Services team engaged the support of Swift Argent Ltd to carry out the production of a permit scheme business case and cost / benefit analysis. This was done in accordance with Department for Transport (DfT) approved methodology, which supports the implementation, training and evaluation phases.

4. Evaluation of the Cost Benefit Analysis

4.1 The development of a detailed Cost Benefit Analysis (CBA) is a requirement for making a Permit Scheme Local Order, and the output is summarised in Appendix A.

4.2 The analysis assesses the impact of permits over the full range of required social and economic variables that have been specifically agreed in consultation with the DfT.

4.3 An effective CBA is a mechanism to assess the benefits and costs of an investment both in terms of its overall viability and in relation to other options. The key general economic assumptions approved by the DfT included within the CBA are as follows:

- The scheme is anticipated to commence in 2018.
- A 25 year appraisal length is assumed.
- A Discount Rate of 3.5% applies, and
- Combined Risk and Optimism Bias Factor of 38% has been used.

4.4 As part of the CBA process, modelling work is produced to assess the impact of introducing a permit scheme. The model compares the potential impact on a number of economic and social factors, alongside how the current noticing system has performed (Appendix A and B summarises the findings).

4.5 The CBA process has also had to consider the associated permit fees. The maximum fees are defined by the Department of Transport and the CBA indicates that these should be set at the maximum level currently prescribed to ensure the service is cost- neutral to the authority. Appendix E details the proposed fees scales and the associated operating policy for consideration. This is recommended as a good starting point and will need to be monitored annually if the permit scheme is introduced.

4.6 Overall, the analysis has shown that introducing the Solihull Permit scheme, targeted to reduce works by 5%, provides a societal financial benefit of £21,301,597 with costs of £6,691,714 over a 25 year period. This produces a Benefit to Cost Ratio of 3.18:1. This means that through the introduction of a permit scheme, for every £1 spent managing works on the highway there would be a financial benefit to the economy and society of £3.18.

4.7 A summary of these potential benefits by road user type is detailed in the table below.

Table 1 - Benefits Summary Values based on 5% reduction in works over 25 Year period

Benefits	Value	Percentage of Total
----------	-------	---------------------

		Benefit
Consumer Travel Time	£12,275,288	58%
Consumer Vehicle Operating Costs	£662,281	3%
Business Travel Time	£7,250,045	34%
Business Vehicle Operating Costs	£181,403	1%
Private Sector Provider Operating Costs	£126,665	1%
Reduction in Fuel Revenue	£88,593	<1%
Greenhouse Gases	£107,766	1%
Accidents	£786,743	4%
Net Present Value of Benefits	£21,301,597	

4.8 The positive outcome from the CBA would support moving forward with a Highway Works Permit Scheme in Solihull. If approved, it would then be necessary to carry out the DfT's defined consultation process, which takes a minimum of 8 weeks, but because the proposed programme covers the Xmas period, it is suggested that this should be extended by 2 weeks to ensure stakeholders have sufficient time to respond. Warwickshire, Coventry and the other surrounding Shire Councils already operate permit schemes so our proposal is not expected to be contentious. Some stakeholders will no doubt welcome the change because it streamlines and reduces their own operating processes.

4.9 During the preparation of the Cost Benefit Analysis and review of the current Street Works noticing operation, 4 options for the future management of works on the highway were considered, which are detailed below together with a high level assessment of each:

Option 1: Do Nothing.

- a) Maintain Existing 'Notice' System (Minimum statutory controls)
- b) Greatest flexibility for statutory undertakers minimising their costs. The flexibility is due to the large window within which works promoters can plan to carry out their works (most also over order so as to keep labour busy then cancel the notices they don't need).
- c) Limited co-ordination powers for works within the highway.
- d) Limited information, which is subject to change without consent, is available to other road users (bus companies etc.). Works often disrupt bus services and bus companies and the Council incur costs, to run extra/replacement services as a result.

Option 2: Permits and Notices.

- a) Chargeable Permit required on 0, 1, 2 Category Roads and Traffic Sensitive Streets.
- b) Notices (existing) required for 3, 4 Category Roads and non-Traffic Sensitive Streets.
- c) Greater control on the strategic road network, includes all Route Hierarchy

routes (all Principle Roads and routes designated by the Council as either a Main Distributor, Local Access or HGV Access route) and all bus routes

- d) Likely to reduce the impact of street works on the strategic road network, which will reduce disruption and burden to business and other road users.
- e) Partial cost recovery. Only costs associated with dealing with Permits issued to statutory undertakers are recovered through fees. Notice regime still non-chargeable.
- f) Permitted works would demand more detailed advance information enabling better assessment of the impact of the proposed works.
- g) Two systems in operation. Works on the majority of the road network, including nearly all urban roads still only co-ordinated by agreement with limited statutory powers available to the Council to improve co-ordination / communications etc.

Option 3: Permits, both chargeable and Deemed.

- a) Chargeable Permits required on 0, 1, 2 and Traffic Sensitive Streets.
- b) Non-chargeable 'Deemed' Permits required on 3, 4 and non-Traffic Sensitive Streets.
- c) One system in operation. Full Permit Powers (controls to force co-ordination, time / duration of works etc.) available to the Council.
- d) Likely to reduce the impact works on the road network, which will reduce disruption and burden to business and other road users.
- e) Some costs still borne by the Council in relation to dealing with works on non-hierarchy roads.
- f) Only partial cost recovery.

Option 4: Full Permit Scheme

- a) Chargeable permits on all roads – sliding scale of charges depending upon location and nature of the works.
- b) One system in operation. Full Permit Powers (controls to force co-ordination, time / duration of works etc.) available to the Council.
- c) Targeted to reduce the impact of works on the road network, which will reduce disruption and burden to business and other road users.
- d) Full cost recovery, in relation to statutory undertakers permits.
- e) Maximum controls to co-ordinate works and ensure robust communications to other road users.

f) Controls imposed on all of the Council's own works, this will increase Council's own works administration costs by circa £9,000 per year. The project team have also identified a number of associated system / processes changes necessary to support the move to a permit system. These include changes to the associated Symology IT system, implementing a new staffing structure, introducing new local legal powers, reviewing the Traffic Sensitive Streets register and setting up the planned budget structure.

- 4.10 Of the 4 options above, it is considered that Option 4, the Full Permit scheme will provide the Council with the best tools to reduce the impact of planned highway works going forward. The review has also considered the associated delivery model between introducing an in-house service and partnering with a neighbouring authority. The partnering option is not one to totally dismiss, but at this stage our consultant's advice is for the Council to introduce the new permit service, to gain experience and to establish a baseline from to have discussions with potential partners.
- 4.11 For the planned implementation period of between April and October 2018, it is suggested that these changes will need to be moved forward in parallel with the statutory consultation phase.
- 4.12 As part of the overall process it is important to ensure the Council's Traffic Sensitive Streets (TSS) register is updated and correct. The process to review the TSS was approved at the July decision-making session. Formal consultation commenced in early October and is due to close on the 6 November.
- 4.13 The Council has given notice of its intention to make the following key changes to its TSS register:
- Current length TSS network = 288.7km
 - Number of streets proposed to be added to the TSS = 40
 - Number of streets proposed to be removed the TSS = 2
 - Proposed length of TSS network = 321.1km
 - Percentage change = Current 30%, Proposed 37% (of overall network)
- 4.14 In addition to the proposed introduction of additional traffic sensitive streets, it is also proposed to add a number of additional streets to the list of traffic sensitive streets on a seasonal basis (November to March) in order to aid the Authority's winter maintenance programme.
- Number of additional seasonal streets added to TSS = 143
 - Proposed total length of TSS including seasonal streets = 437.6km
- 4.15 The outcome from the TSS consultation will now be fed into the overall permit scheme consultation process and any issues considered during the next stage.

5. Reasons for Recommending Preferred Option

- 5.1 The positive outcome from the CBA's academic exercise would support the Council

introducing a Highway Permit Scheme in Solihull. It would also meet the West Midlands Combined Authorities objective of having a permit system operating consistently across the West Midlands Key Route Network. In Solihull, this applies to the A45, A34, A41 and a section of the A452 between the Birmingham City Boundary and its junction with the A446.

5.2 If approved, the objectives of the scheme will be delivered by improving performance in the following areas:

- enhanced co-ordination and co-operation
- encouragement of partnership working between the Highway Authority, road and street works promoters and key stakeholders
- provision of more accurate and timely information to be communicated between all stakeholders including residents, visitors and businesses
- promotion and encouragement of collaborative working
- improvement in timing and duration of activities particularly in relation to the busiest streets within the network
- promotion of dialogue with regard to the way activities are to be carried out
- enhanced programming of activities and better forward planning by all works promoters
- give the Council greater powers to fine Utility companies that break the law and for poor performance.

5.3 The introduction of a permit scheme will require a new team to be established with the appropriate skill sets. The new tasks are, in the main, additional to those provided by the existing Street Works Officers and Neighbourhood Co-ordinators, but there are some synergies. It is therefore also recommended that the staffing implications of introducing a permit scheme should be considered, together with how best to deliver Street Works and Statutory Highway Condition Inspections for the authority. This will be considered as part of the next update report, which is on the provisional agenda for the January decision-making session.

6. Scrutiny

6.1 This matter has not been considered by the Scrutiny Board.

7. Implications

7.1 Delivery of the Council's Priorities

The options/proposals in this report will contribute to the delivery of the following Council Priority(ies):

- Managed Growth by supporting major development projects including HS2 and UKC.
- Build Stronger Communities by removing congestion and levels of local disruption. The scheme will generate a reduction in emissions from stationary traffic at road and street works. Diesel vehicles particularly are a key source of so-called NOx emissions, and NO2 is linked to a range of respiratory illnesses. Reduced disruption will also provide a less stressful journey for commuters.
- Deliver Value through fully recovering the Authority's costs creating a self-funded service and contributing to the wider work of the department. The Permit Scheme is cost neutral to the Highway Authority. All new roles created to operate the Permit Scheme and other operational costs, will be funded by Permit fees. There will be more managed interventions to the

fabric of the highway network and improved reinstatements.

7.2 Policy/Strategy Implications

7.3 The operational policy and strategy implications have set out and considered in the main body of the report.

7.4 Meeting the duty to involve

7.5 Through both the costs benefit and options analysis and Traffic Sensitive Street Review, key stakeholders including Transport for West Midlands, Neighboring Authorities and Public Utility Companies will be engaged and their comments feed in to the that process as detailed in the relevant guidance documentation.

7.6 Financial Implications

7.7 One of the principal objectives of introducing a Highway works permit scheme in Solihull is that it is done so on a self-funding basis. Any additional costs incurred by the Council would be offset by the new income stream generated for the permit fees charged to street works promoters.

7.8 The financial implications from the CBA indicate that the costs associated with the scheme, include the following capital, operating and revenue expenditure in 2010 prices, (in accordance with the DfT's WebTAG process) would be as follows:

- Total Capital Expenditure £88,000
- Year 1 Operating Expenditure £316,046
- Annual Operating Expenditure (After Year 1) £311,668
- Year 1 Revenue Expenditure £309,320
- Annual Revenue Expenditure (After Year 1) £308,660

7.9 These figures are based on the outcome of this academic exercise and will vary depending on the actual number and type of permit requests and variations received each year.

7.10 The Council will incur both capital and revenue operating expenditure, with the capital cost occurring in the first year only. Revenue to offset the operating cost is derived from the permit fees charged to Utility companies. The fees scales are prescribed by the DfT and it will be necessary for Solihull to charge the maximum fee to ensure the business case is achievable. See table below:

Road Type	Road category 0-2 or Traffic-sensitive	Road category 3-4 and non-traffic sensitive
Provisional Advance (It is suggested this fee applies only where value has been added in processing the works)	£105	£75
Major works – over 10 days <u>and</u> all major works requiring a traffic regulation order.	£240	£150
Major works – 4 to 10 days	£130	£75
Major works – up to 3 days	£65	£45
Activity Standard	£130	£75
Activity Minor	£65	£45
Immediate Activity	£60	£40
Permit Variation	£45	£35

7.11 Legal implications

7.12 None as a result of the recommendations in the report.

7.13 In order to implement a permit scheme, the Council needs to demonstrate that they have conducted and fully justified the introduction of such a scheme. As such within the options appraisal the following processes and industry best practice will be adhered to:

- Guidance Document 1 - Assessing the Extent of Street Works and Monitoring the Effectiveness of Section 74 in Reducing Disruption: Third Annual Report – April 2003 to March 2004
- Volume 3 – Estimation of the Costs of Delay from Utilities Street Works' (July 2004)
- Advice Note For local Highway Authorities developing a new or varying existing Permit Schemes
- Guidance Document 2 - 'Traffic Management Act 2004: Permit Schemes Decision Making and Development (Draft Amended Extract Executive Summary) – Annex C'

7.14 Risk Implications

7.15 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.

7.16 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.

7.17 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.

7.18 Statutory Equality Duty

7.19 None at this stage in the process. A Fair Treatment Assessment will be included as part of the proposed review of how the service is delivered in the future.

7.20 Carbon Management/Environmental

7.21 Effective network management has the potential to have a positive impact on both Carbon Management and the Environment through a reduction in congestion which would have the potential of reducing CO2 emissions whilst improve air quality.

7.22 Partner Organisations

7.23 As part of the optional analysis process set out within this report it would be our intention to engage with neighbouring authorities including Transport for West Midlands to explore and understand partnering opportunities to add value and standardise the permitting process across the region to aid works promoters.

7.24 Safeguarding/Corporate Parenting Implications

7.25 None as a result of the recommendations of this report.

7.26 Customer Impact

7.27 Implementation of effective street works co-ordination has the potential to have a range of benefits for customers, including reduced delay and congestion, safer and better maintained roads as well as increased information and notice of works.

7.28 Other implications

7.29 None as a result of the recommendations of this report.

8. List of Appendices Referred to

8.1 Appendix 1 – Traffic Sensitive Street List (2004)

8.2 Appendix 2 – Traffic Sensitive Street Criteria

9. Background Papers Used to Compile this Report

9.1 A3 Project Plan on Street Works Permitting (2016)

9.2 April 2017 Cabinet Report on Street Works Permitting

10. List of Other Relevant Documents

10.1 DfT - Permit Scheme Advice Note: Implementing changes required by 1 October 2015

10.2 DfT Advice Note: For Local Highway Authorities developing new or varying existing permit schemes. June 2016

10.3 The Traffic Management Act 2004