

Report of:	Executive Member for Environment - Councillor Dennis McCabe Director of Environment and Commercial Services - Geoff Field
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Submitted to:	Executive - 18 February 2020
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Subject:	Highways Permit Scheme
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Summary

Proposed decision(s)
It is recommended that Executive: a) approves the introduction of a Permit Scheme.

Report for:	Key decision:	Confidential:	Is the report urgent?¹
This report seeks an Executive decision to approve the introduction of a permit scheme.	Yes – over the financial threshold and more than 2 wards will be affected.	This report is not confidential.	For the purposes of the call-in procedure, this report is not urgent.

Contribution to delivery of the 2018-22 Strategic Plan		
Business Imperatives	Physical Regeneration	Social Regeneration
Exploring new operating models for the delivery of Council services, to assist the Council in addressing its financial gap. Through the effective deployment of existing resources to carry out works which may otherwise be sub-contracted.	We will improve Middlesbrough’s rail connections, promote investment in the Historic Quarter to encourage business growth and continue to improve our road network. A permit scheme will allow us to manage and coordinate essential roadworks.	Improving the town’s physical environment to ensure that our roads, streets and open spaces are well-designed, clean and safe. A permit scheme will allow us to manage and coordinate essential roadworks.

¹ Remove for non-Executive reports

Ward(s) affected
The delivery of the permit scheme will be in all Wards throughout Middlesbrough.

What is the purpose of this report?

1. The purpose of the report is to seek Executive approval/endorsement for the introduction of a permit scheme. A permit scheme will allow us to manage and coordinate essential roadworks and give the Council greater control over works on our highway network and dynamically manage the road network to aid free flow traffic. Councils who have already implemented a scheme have demonstrated the ability to proactively manage works on the highway as well as reduce and control the associated disruption.

Why does this report require a Member decision?

2. The decision requires Executive approval for the introduction of a permit scheme within Middlesbrough Council.

Report Background

3. Street works and road works are a major cause of delay and disruption for road users, resulting in significant costs to the economy and society. Department for Transport (DfT) historical data estimates that the cost of congestion resulting from street works in the UK is £4.3 billion a year, and as a consequence the DfT have taken steps to support the effective management and coordination of works on our highways.
4. Together with other Local Authorities (LAs) in the North East, we received a letter from the Secretary of State for Transport in July 2018. This letter asked us to introduce a permit scheme for street works activities. The main reason behind the request is that it will give the Council greater control over works on our highway network and dynamically manage the road network to aid free flow traffic. A permit scheme will allow us to manage and coordinate essential roadworks. Councils who have already implemented a scheme have demonstrated the ability to proactively manage works on the highway as well as reduce and control the associated disruption.
5. There is currently a system in place whereby works promoters give notice to the authority to carry out works on the highway, (promoters are statutory undertakers, such as gas, electricity, water and telecommunications providers) but, as long as the required notice periods are adhered to, the Council has very little control over the timing or duration of those works. Under the proposed Permit Scheme, this increased control is achieved by requiring all promoters to seek permission before undertaking works and for those works to comply with conditions which the Council can apply. Promoters will have to book time on the highway network by applying for a permit before carrying out any works (special arrangements will apply in respect of emergency works as they do currently whereby permission can be sought from the Council up to but no more than 2 hours retrospectively.)
6. Similar schemes have already been implemented by most other LAs outside the North East and the Government considers these to be a success. Our Permit Scheme will aim to:
 - increase the efficient running of the highway network
 - protect the structure of the street and the apparatus belonging to utility companies and others within it

- improve the safety of those using the street and those working on activities that fall within the scheme
 - ensure that better and more accurate information is available for road users about work on the highway
7. Evaluation of existing permit schemes have shown that works completed were, on average, completed in a shorter time than works completed under noticing, for most works categories but showed an increase in the recorded volume of notices/permit applications received, at least in part, due to the requirement for a permit scheme to apply to the Council's own works as well as statutory undertakers. These DfT findings imply that a permit scheme will provide the Council with more control over our network and we are hopeful that the change from noticing to permits can be implemented in early 2020.

What decision(s) are being asked for?

8. It is recommended that the Executive Member approves the introduction of a permit scheme in Middlesbrough.

Why is this being recommended?

9. Introduction of a permit scheme will give the Council greater control over works on our highway network and dynamically manage the road network to aid free flow traffic.

Other potential decisions and why these have not been recommended

10. Not approve the introduction of a permit scheme. This has not been recommended as introduction of a permit scheme will allow us to manage and coordinate essential roadworks. Councils who have already implemented a scheme have demonstrated the ability to proactively manage works on the highway as well as reduce and control the associated disruption

Impact(s) of recommended decision(s)

11. The impact of approving the report will result in the ability to sufficiently forward plan physical and financial resources to ensure implementation of the permit scheme by April 2020.

Legal

12. Any legal issues associated with introduction of the scheme will be dealt with and managed through the Council's established procedures.

Financial

13. The income received from the permit applications can be used to fund the Permit Scheme and this will be something we must be in a position to demonstrate to the Department of Transport. The cost benefit analysis carried out in preparation of the Permit Scheme identified a potential income of £300k p.a based on works notice data from 2018. The first year operating cost, including set up fees is estimated to be £410k, with ongoing operating costs of £300k however there is an opportunity to bring in complimentary tasks/functions/roles that support the Permit Scheme which currently sit outside the current remit thus releasing revenue funding giving an opportunity to

strengthen other areas of highway service delivery within ECS. The income from fines will continue to pay for the existing street works staff.

Policy Framework

14. The Approval of the recommendations will not affect any part of the Council's Policy Framework.

Equality and Diversity

15. There will be no negative, differential impact on diverse groups and communities associated with this report.

Risk

16. Changes are required in current processes, systems and staff levels. Middlesbrough Council must be in a position to adapt and implement these prior to any expect go-live date. The DfT have indicated that the Secretary of State (SoS) will need to take into consideration Public Interest when making a decision on the introduction of a permit scheme. This will include the Authorities capability to implement and operate a successful scheme. Middlesbrough Council may be required to demonstrate its capability or readiness to operate the Scheme

17. If Middlesbrough Council is not ready for the introduction of the scheme the following risks may apply:-

- Reputation within the industry
- Reputation within the region
- Financial risk – the income is not generated to cover set-up costs
- Income may be lost due to processes not being followed
- Middlesbrough Council as a works promoter is not ready and therefore creates issues regarding demonstrating parity
- Late invoices therefore delaying income into the Authority
- Unable to show justification of fees

Actions to be taken to implement the decision(s)

18. To deliver the introduction of the Permit Scheme Environment Services will review internal project management arrangements, implement an appropriate staff review and recruitment process and allocate appropriate resource.

Appendices

19. There are no appendices to this report.

Background papers

20. MBC Permit Scheme V7.1 Final, Middlesbrough Fees Summary Document Final, COBA Executive Summary V5 Final

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