

**SURREY COUNTY COUNCIL**

**CABINET MEMBER FOR TRANSPORT & ENVIRONMENT**

**DATE:** 11 JULY 2012

**REPORT OF:** JASON RUSSELL, ASSISTANT DIRECTOR  
ENVIRONMENT & INFRASTRUCTURE



**SUBJECT:** PROPOSAL FOR THE INTRODUCTION OF A PERMIT SCHEME  
UNDER THE TRAFFIC MANAGEMENT ACT 2004

**KEY ISSUE/DECISION:**

To agree that formal consultation take place on whether a proposed permit scheme should be introduced, requiring Utility companies to obtain a permit to book time on the highway rather than informing the street authority of its intention to carry out works in its area, to provide an improved alternative to regulating and coordinating works on Surrey's road network.

**DETAILS:**

1. Surrey County Council (SCC) is committed to reducing congestion and disruption caused by road works. One option to assist in achieving this is the introduction of a permit scheme which would provide an improved alternative to regulating and coordinating works on Surrey's road network. The council is currently working in collaboration with East Sussex County Council (ESCC) on the potential for introducing a permit scheme across Surrey and East Sussex.
2. In developing the proposals the council is required to carry out formal consultation of the proposed permit scheme prior to document finalisation and submission to the DfT for approval. A decision is required on whether SCC can progress to the formal consultation stage of the proposed permit scheme. The Leader of the Council delegated authority to take a decision on this matter to the Cabinet Member for Transport and Environment on 22 June 2012.

**Business Case**

3. To strengthen our ability to coordinate works on the highway, and in particular those carried out by utility companies, we are considering introducing a permit scheme to the authority. Permit schemes provide an alternative to the notification system of the New Roads and Street Works Act 1991, (NRSWA), whereby instead of informing a street authority about its intention to carry out works in its area, a Utility company has to book time on the highway by obtaining a permit from the permit authority. This differs from the current noticing system where we receive notices from utilities, and others, that they intend to carry out work on the highway, and whilst we can impose some conditions they do not require permission for works to take place. This should give us greater visibility of intended works and more opportunity to challenge and coordinate.

4. The provision for permits is one of a number of duties and powers in the Traffic Management Act 2004 (TMA) aimed at improving the management of the road network. Permit schemes have the potential to bring benefits to road users, local residents, businesses and customers through better control and planning of potentially disruptive activities in the street. Utilities have been granted the right to use the network for the distribution of their services so their works are often essential and unavoidable. The aim of the permit scheme would be to focus on minimising delays or congestion and inconvenience caused by these works. A detailed business case on the wider benefits and objectives of a permit scheme in Surrey will be included for review at the next decision making stage on whether to proceed with the scheme.
5. A permit scheme supplements existing legislation and is designed to be more specific in application based on the local authority's own situation e.g. volume of work being carried out on the highway network and traffic flows. Currently, approval is still required by the Department for Transport (DfT) to introduce a permit scheme. Should the decision be taken to proceed with the scheme, by the authority and the DfT, the timescale for introduction of a scheme in Surrey is anticipated to be in the financial year 2013/14.
6. We are currently working in collaboration with East Sussex County Council (ESCC) on the introduction of a permit scheme across both areas of the SE region. Working together we are utilising a shared consultant to produce the necessary documentation and progress the required consultation. If the scheme goes ahead then ESCC & SCC will operate the scheme independently however the collaboration in developing the scheme will help to reduce our costs and also offers a consistent approach to works promoters.
7. The formal consultation with the works promoters affected by the introduction of the East Sussex & Surrey Permit scheme is due to commence in July. Following consideration of the consultation the permit scheme documentation will be finalised ready for submission to the DfT in November. In accordance with this timetable a decision is required now on the progression of the proposed permit scheme to the formal consultation stage.

## **Consultation**

8. Prior to submitting a permit scheme to the Secretary of State under section 33 of the Traffic Management Act 2004, SCC must consult with various parties. These would include all undertakers and contractors, including contractors working for the highway authority, Borough, District, Town and Parish Councils and emergency services.
9. There is no legal time duration laid down for the consultation in the TMA but to fit typical requirements it is anticipated that the formal consultation for the East Sussex & Surrey permit Scheme will be a three month duration.
10. Further consultation with Members on the introduction of a permit scheme will be undertaken via the Environment and Transport Select Committee Utilities Task Group.
11. Depending on the outcome of the consultation, Cabinet will be asked to consider whether a permit scheme should be introduced prior to submission

of any scheme to the DfT for final determination. This is anticipated to take place in October 2012.

### **Financial and value for money implications**

12. There are costs involved in developing, introducing and operating a permit scheme, all of which can be recovered by the permit fees should the scheme go ahead. Further detail on the financial and value for money implications will be included for review at the next decision making stage on whether to proceed with the scheme.
13. Permit fees are payable by Utility works promoters for their activities that are subject to the permit scheme. Existing TMA regulations define the maximum permit fee payable by the utility companies and it should also be noted that permit fees are not payable by the Highway Authority itself. An applicable permit fee structure for SCC is being progressed in conjunction with the consultation document.
14. Costs associated with the permit scheme proposal have to date been shared with East Sussex County Council. It is anticipated that the total payable costs by Surrey County Council for the development of the permit scheme to formal consultation stage will be £40,000. This cost allows for the development of the business case and cost benefit analysis required as part of the scheme documentation.

### **Equalities implications**

15. An equality impact assessment is being undertaken and the outcome will be included for review by Cabinet before a decision is taken on whether to proceed with the scheme.

### **Risk management implications**

16. There still remains a national interest on the introduction and operation of a permit scheme from all works promoters (especially Utilities) and central government. There is a reputational risk in terms of the expectation for works promoters and local authorities to closely monitor the progression of any newly implemented permit scheme.
17. 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 Local Highway Authority's capability to implement and operate a successful scheme. SCC may be required to demonstrate its capability or readiness to operate the Scheme.
18. SCC will not be able to operate a permit scheme until it has submitted a formal application to the SoS who has a choice of approving, rejecting or altering the scheme. As part of the application, an SCC must provide evidence to justify the permit scheme (including the fee level). The SoS will seek to ensure that only authorities which demonstrate the ability to operate an effective permit scheme will be granted approval.

## **Climate change/carbon emissions implications**

19. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change. Should a permit scheme be introduced there are potential outputs that would have a positive impact on climate change and carbon emissions. For example reductions in delays and congestion are likely to have a positive impact on changes in carbon emissions and improved planning should lead to a reduction in waste materials.

## **Legal implications/legislative requirements**

20. Highway Authorities have existing legislative requirements in relation to the management of road works and traffic management. The introduction of Permit scheme in Surrey would need to be established by an individual legal order that has been approved by the Secretary of State.

## **Section 151 Officer commentary**

21. The Section 151 Officer confirms that all material financial and business implications have been considered in this report. The Service will work with Finance to provide further detail on the financial and value for money implications for consideration at the next decision making stage. The introduction of a permit scheme will not impact on existing charges.

## **RECOMMENDATIONS:**

It is recommended that:

1. the development of permit scheme proposals continue in collaboration with East Sussex County Council.
2. formal consultation on the introduction of a permit scheme in Surrey proceed as set out in the report.
3. it be noted that the outcome of the consultation will be reported to Cabinet prior to a decision on whether to proceed with the introduction of a permit scheme in Surrey.

## **REASONS FOR RECOMMENDATIONS:**

To proactively consider the introduction and operation of a permit scheme in Surrey will enable a future decision to be taken on any scheme implementation. Should the decision to proceed be positive, we will need to have satisfied the DfT requirements on submission of the scheme, which includes having consulted on the proposals. Working collaboratively with another local authority on this project enables the sharing of best practice, resource and costs.

## **WHAT HAPPENS NEXT:**

The permit scheme proposal will be issued for consultation for a period of 12 weeks. Following consultation the documents will be finalised and officers will return to Cabinet in October for a decision on the submission of a permit scheme to the DfT.

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**Contact Officer:**

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**Consulted:**

Informal consultation has taken place with Utility companies and Highways service providers.

**Informed:**

Cabinet Member, Environment & Transport Select Committee Task Group, Director for Environment & Infrastructure, Utility companies, Highways service providers.

**Sources/background papers:**

Business Case – Proposal for the introduction of an ESCC Permit scheme under the Traffic Management Act 2004, August 2011.

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