

SANDWELL PERMIT SCHEME

YEAR ONE EVALUATION REPORT

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1 Introduction

An Introduction to The Network Management Duty

Road works are a major cause of delay and disruption for road users, resulting in significant costs to the local economy and society. It is estimated that the cost of congestion resulting from street works in the UK is £4.3 billion a year.

The New Roads and Street Works Act (1991) (NRSWA) places a duty on The Council, as a Highway Authority, to coordinate activities or works of all kinds on the highway under the control of that Authority.

The Traffic Management Act (2004) (TMA) and associated regulations place an additional duty on The Council to secure the expeditious movement of traffic, including cyclists and pedestrians on The Council's road network and widen the NRSWA coordination duty to include other prescribed activities that involve temporary occupation or use of road space. Part 3 of the TMA allows for an Authority to introduce a permit scheme to support the delivery of these duties.

A well-designed, outcome-focussed, and well implemented permit scheme provides the best method of managing the work that needs to take place in or on the public highway and minimises the disruption and inconvenience caused by roadworks to residents, visitors and others who use our road network.

The powers provided to The Council under a permit scheme differ from previous powers for managing works in the following key ways:

- Historically under NRSWA organisations who intended to carry out works on the road network were required to notify the Council of their intention to undertake these works. The Council then had powers under NRSWA to provide direction to these works and apply penalties for non-compliance;
- Under the permit scheme, organisations book occupation of the highway for their works rather than giving notice, therefore obtaining a permit for their works;
- Any variation to the work needs to be agreed, either before or after works have started, this will include extensions to the duration;
- The Council can apply conditions to works to impose constraints; and
- Apply sanctions using fixed penalty notices for organisations who are found working without a permit or in breach of conditions (of the permit).

An Introduction to The Sandwell Permit Scheme

The Sandwell Metropolitan Borough Council (Sandwell MBC) Permit Scheme has been developed under the powers provided in Part 3 of the TMA, the Traffic Management Permit Scheme (England) Regulations 2007, the Traffic Management Permit Scheme (England) (Amendment) Regulations, and subsequent amendments. These regulations are collectively referred to as the “Permit Scheme Regulations”.

Sandwell MBC when preparing this permit scheme, had regard to the guidance issued by the Secretary of State and the Department for Transport contained in the Statutory Guidance for Permits (October 2015), the Permit Scheme Conditions (March 2015) and particular regard to the requirements of Part 5a (in particular Section 49(a)) of the Disability Discrimination Act 1995 and associated codes of practice.

The Sandwell permit scheme was brought into effect on 24th June 2019.

Sandwell MBC permits scheme allows the authority to control and coordinate works on the highway undertaken by utility providers and highways authority own schemes (promoters). Promoters must apply for permission to undertake work; the authority decide whether to grant the permit and identify any restrictions that should be applied (i.e. restrictions on times of day when the work can be carried out).

Roadworks are a necessity to enable utilities and highway authority works to be carried out in order to renew, improve and install infrastructure. As this work takes up valuable road space it is important that the impact is minimised in terms of congestion and delays on the road network.

The permit scheme is not intended to prevent activities necessary for the maintenance or improvement of the road network or the services running underneath it. It is designed to achieve an appropriate balance between the interest of the various parties and where possible bring about effective coordination between all of the competing interests.

The authority charges a fee for a permit application (not for in house works). The authority can levy overrun charges where work is not completed within a reasonable time scale and also issue fixed charge penalty notices for non-compliance of the permit conditions or for working without a permit. The authority can also provide discounts where several undertakers collaborate and carry out works at the same time in the same location. These fees and incentives encourage undertakers to reduce the disruption caused by street works.

Sandwell MBC cannot use the permit schemes to generate a surplus the income from the fees must not exceed the total attributable costs.

Whilst Sandwell MBC operates an individual permit scheme, Sandwell do take a collaborative approach on operational practice with other Black Country Permit Authorities. This approach will provide constancy for promoters when working in neighbouring authorities. Future annual evaluation reports will also compare SMBC scheme to neighbouring authorities.

2 The Objectives of the Sandwell Permit Scheme

Sandwell MBC aims to be recognised as a leading Highway Authority, one that provides a well-managed road network that supports economic growth, prosperity and the wellbeing of both residents and visitors to our Borough.

Sandwell MBC's permit scheme will help deliver a range of local authority objectives, however, the key objectives for the permit scheme are as follows:

- Increase the efficient running of the highway network by pro-actively managing activities on the highway, minimising disruption and inconvenience caused by road works;
- Encourage a proactive approach to planning and the undertaking of works on the highway by all promoters, to reduce the impact of activities on road users;
- Improve publicly available data of all promotor works to allow proactive journey planning;
- Ensure the safety of residents, visitors, and construction workers employed on activities that fall under the scheme, with a particular emphasis on those people with disabilities;
- Protect the structure of the street and the integrity of the apparatus in it;
- Ensure parity for all promoters particularly between statutory undertakers and Highway Authority works and activities;

The successful performance of the permits scheme will bring a number of subsidiary benefits these include.

- Maximising the safe and efficient use of road space
- Providing reliable journey times
- Improving the resilience of the network
- Minimising inconvenience to all road users
- Improving public satisfaction

3 Permit Scheme Evaluation

Regulation 10 of the 2015 Traffic Management Permit Scheme (England) (Amendment) Regulations inserted new regulation (16A) into the 2007 Regulations.

Sandwell MBC must evaluate its permit scheme on the first, second and third anniversary of when the scheme came into effect and then every three years after that.

The evaluation should consider:

- Whether the fee structure needs to be changed in light of any surplus or deficit
- The cost and benefit of operating the scheme (in all terms not just financial)
- Does the permit scheme meet the key performance indicators set out in the guidance?

A set of performance indicators (TPIs) has been agreed by the HAUC (England) Permit Forum. The TPIs focus on occupancy, co-ordination and inspections and will be used to underpin Sandwell's permit scheme evaluation.

Reference Number	Indicator
TPI 1	Works phases started (Base Data)
TPI 2	Works phases completed (Base Data)
TPI 3	Days of occupancy phases completed
TPI 4	Average duration of works
TPI 5	Phases completed involving overrun
TPI 6	Number of deemed permit applications
TPI 7	Number of phase one permanent registrations

TPI 1 Work Phases Started (Base Data)

This is a summary of all works phases that had an actual start date within the period.

TPI 2 Works Phases Completed (Base Data)

This is a summary of all works phases completed within the quarter.

TPI 3 Days of occupancy

Total days of occupancy for all works promoters.

TPI 4 Average duration of works

The average duration of all works phases completed for all works promoters.

TPI 5 Works phases completed on time/overrun days

This is the proportion of all works phases completed, where works were completed by the initial proposed end date. For works not completed on time the total number of days by which the work overran is also calculated.

TPI 6 Overrun Days

TPI 7 Number of phase one permanent registrations

Summary of all works phases completed but only where the first phase of works and was closed with one of the following excavation types

1. Works with excavation (single promoter)
2. Works with excavation (primary promoter)
3. Works in footway or bridleway or path
4. Works within pedestrian planning order
5. Works within traffic order
6. Works for road purposes
7. Replacing poles, lamps, columns or signs

In addition to the key performance indicators listed above Sandwell have set operational performance measures that will also be used to evaluate the scheme.

Reference Number	Indicator
SMBC1	Number of overrun incidents
SMBC2	Average road occupancy and number of days reduced occupation
SMBC3	Number of collaborative works and the days of saved occupation
SMBC4	Number of refused permits by refusal reason
SMBC5	Number of cancellations as a percentage of granted permits
SMBC6	First time permanent reinstatements
SMBC7	Category A 'in progress' inspection results
SMBC8	Permit condition inspection results

SMBC1 Number of overrun incidents – no of works overrunning their agreed date and indicates how well promoters manage their works and lessen the impact on road users – compare with neighbouring authorities

Extension requests considered on own merits.

SMBC2 Average road occupancy and number of days reduced occupation – The average number of working days for different work categories as compared between periods and other authorities.

SMBC3 Number of collaborative works and the days of saved occupation - The potential economic benefits from shared working space are considerable. In addition, this will show a proactive and positive approach to working together to minimise disruption

and occupancy.

The number of collaborative works will be expressed as:

- . a percentage of all works granted per period.
- . as an ongoing measure, this will also be expressed as the number of collaborative works sites per period, thus enabling a percentage increase/reduction to be calculated.

SMBC4 Number of refused permits by refusal reason - Actual numbers of applications refused are part of KPI1 and are an indicator of parity. Monitoring permit refusals will show clearly the most common reasons for refusal. This is helpful to the activity promoter to identify particular areas where they are failing. This measure will also show any improvements for each period for the way promoters deal with systematic failures within their processes. It will therefore be a measure of how information quality is improving.

It will be expressed as, the number of each category of failure as a comparison of previous periods

SMBC5 Number of cancellations as a percentage of granted permits - Since there is a fee for a permit, a statutory undertaker must pay for this even if the works subsequently do not go ahead. This is therefore a disincentive for works to be subsequently cancelled.

This measure will compare year on year rates of permit cancellation, and more particularly show how these rates fall from those under the notification system. This has a direct benefit to the Permit Authority and the activity promoter since it shows better works management and allows officers and staff to use their time more productively.

This measure will be expressed as the proportion of notices/permits cancelled each period.

SMBC6 First time permanent reinstatements - Undertaking a first-time permanent reinstatement can reduce general disruption, particularly when traffic management is in place, by removing the need for a return visit to a site.

Measuring the number of interim reinstatements or the number of first time permanent reinstatements provide a comparison to be made each period, and also allows targets for the permit authority to be set to try to drive down interim reinstatements.

The metric will be expressed as the number of interim reinstatements undertaken as a percentage of total permits issued.

SMBC7 Category A 'in progress' inspection results - Category A inspections under the NRSWA Code of Practice for Inspections look at the way a site is set up; suitability of traffic management, signing and guarding and site safety. This is not just for vehicular traffic, it has particular significance for the safety of pedestrians and those with a disability. This metric will allow year on year inspection results to show improvements in this element of works comparison between highway authority activities and utility activities. The metric will be expressed as the number of failed category A inspections shown as a percentage of the total A inspections undertaken within a period.

Where possible the Permit Authority should include highway, authority works in their inspection regime. However, this is not a requirement under the Permit Scheme Regulations.

SMBC8 Permit condition inspection results –

This measure can be evaluated from the number and types of fixed penalty notices issued under regulation 19 (working without a permit) and 20 (breach of permit condition).

It is anticipated that any site that is inspected for a category A inspection will also have a permit conditions checked (and vice versa).

The metric will be expressed in terms of the A inspection figures since different authorities may have different inspection regimes that include more than the statutory 10% random sample. This will allow a general comparison between authorities to be made.

This will be expressed as:

- Total numbers of FPNs issued under Regulation 20/19
- The number of individual types of condition breaches under Regulation 20/19
- The percentage of FPNs against the number of inspections undertaken

4. Evaluation Method

This is a first-year evaluation of Sandwell's permit scheme, there are a wide range of key performance indicators and operational performance measures that can be analysed some of these are possible to report on and some require further work to prepare. The evaluation identifies the key performance indicators and operational performance measures as detailed in section 3.

Although some data is not currently available, the requirement and format has been documented in the evaluation so that it can be recorded and reported in following years.

The first-year evaluation has identified where additional data will assist the analysis of future years. Where historical data is not available, first year data will establish a base line figure for future permit evaluations. As more data becomes available this can be analysed along with benchmarking of data from other permit schemes. This will enable Sandwell's Permit Scheme to continuously improve.

The actual works data collect was obtained from the notifications sent between those organisations undertaking works, such as utility companies and Highways Subcontractors and the Council.

The Sandwell permit scheme was brought into effect on 24th June 2019, the evaluations within the report are based on works data collected from this date until 23rd June 2020, a full calendar year of operation Year 1.

For analysis of pre-scheme measures the data used will be from the following periods; 24th June 2018 to 23rd June 2019 year 1 before permits scheme (1BP), and 24th June 2017 to 23rd June 2018 year 2 before permits scheme (2BP).

During Year 1 of the permit scheme a national lockdown was implemented due to the Coronavirus pandemic, this altered the way that permit scheme operated and will have affected some of the data represented for the period from 23rd March 2020 to 23rd June 2020.

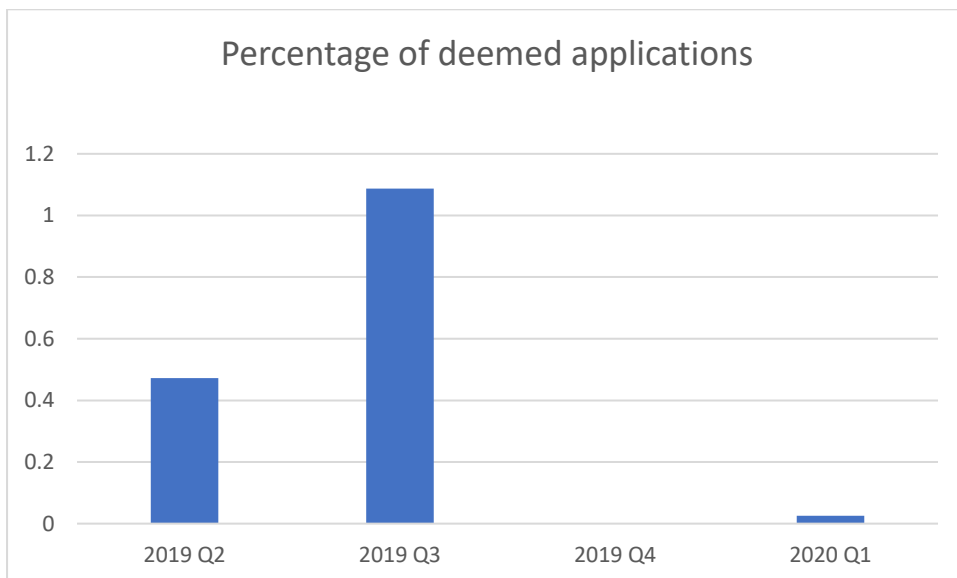
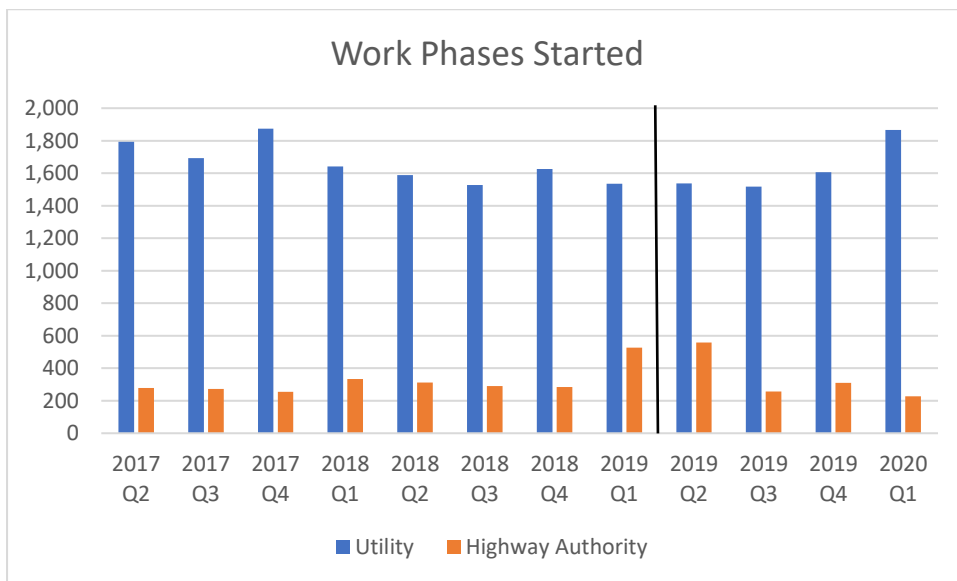
5. Evaluation Results

The performance indicators and operational performance measures have been grouped or combined where applicable to avoid any duplication and for continuity.

Works Phases

The evaluation of works phases is based on the following performance indicators:

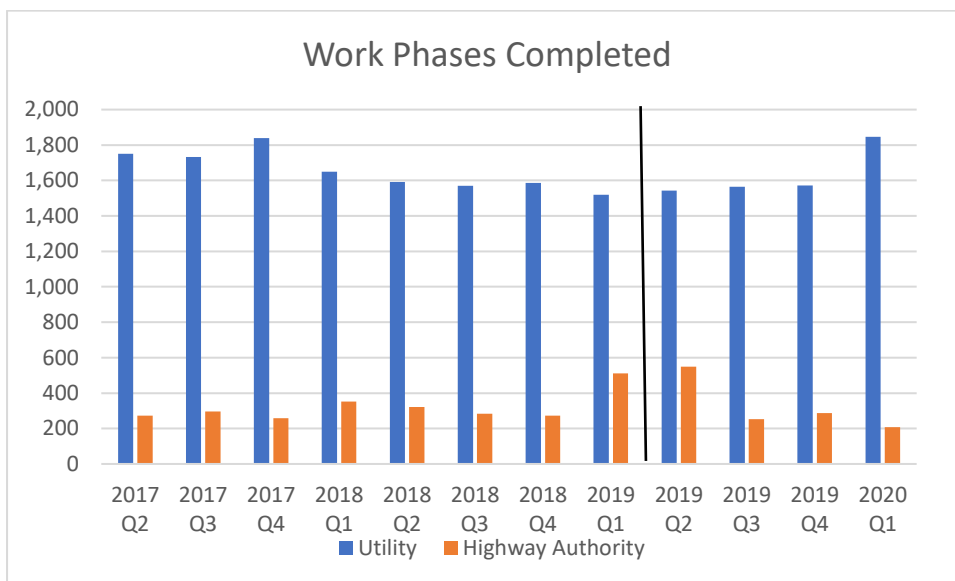
TPI 1 Work phases Started / percentage of deemed permit applications



This is a summary of all works phases that had an actual start date within the period stated. This data also shows the percentage of deemed permit applications has reduced during Year 1. A deemed permit application is where the Council does not respond to an initial application within a set period thereby the permit becomes automatically granted.

The number of works phases started by external promoters has increased during the first 12 months of the permit team’s operation. This can be attributed to the increased awareness in the requirement for submitting accurate work phases. For the highway authority, there was a slight reduction, due to a reduction in highways spend/schemes, and the development of the permit scheme alongside the operation training of staff.

TPI 2 Work phases completed

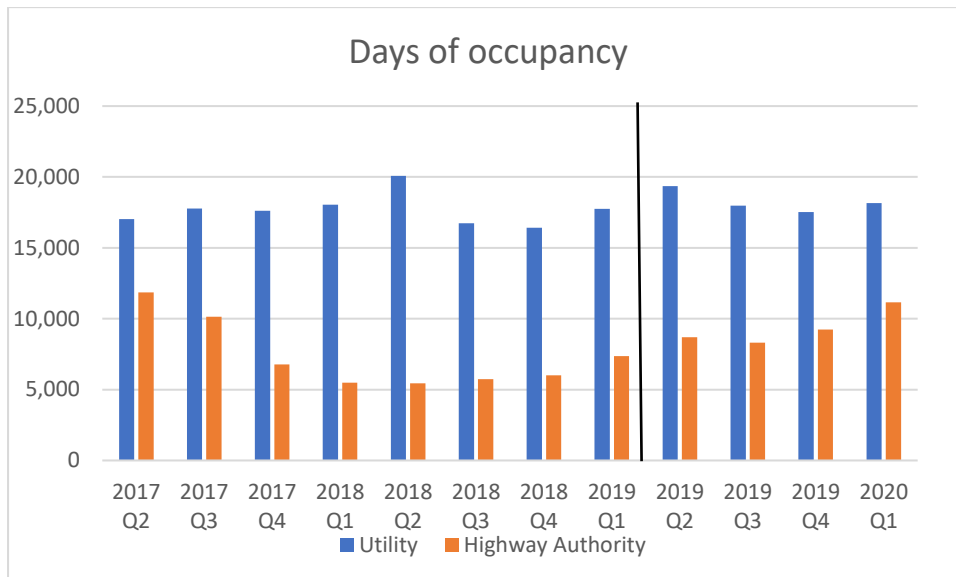


This is a summary of all works phases completed within the period stated.

This data can be compared to work phases completed after a reasonable period - See TPI5 results page 16.

Occupancy

TPI 3 Days of occupancy phases complete.

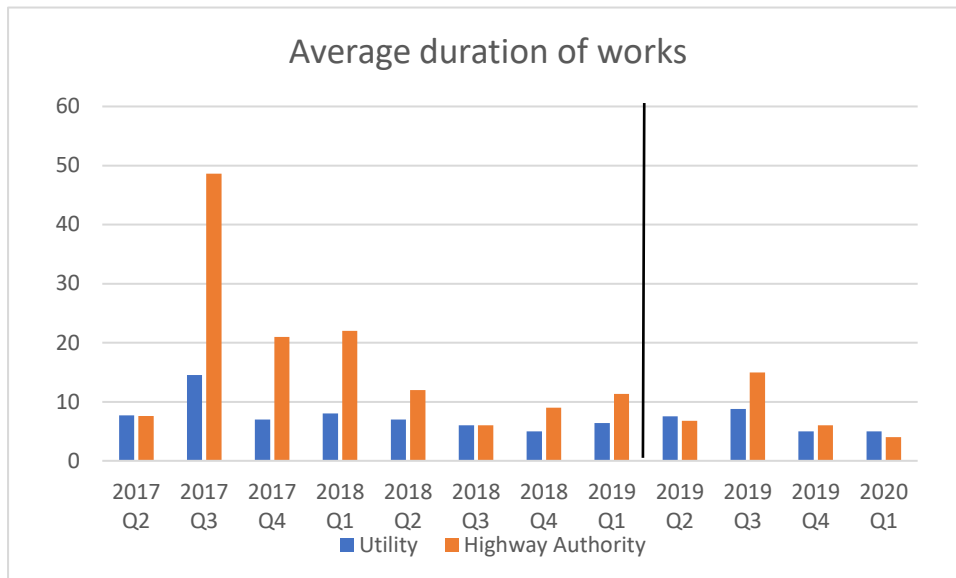


The table shows the total days of occupancy for all works promoters. Days of occupancy are slightly higher in Year 1.

Year 1 figures include works granted under the notification system, that weren't completed 6 months in advance permission through notification not permits scheme.

In the future years the data will include all work phases processed through the permits scheme this should result in a higher number of work phases completed and reduced occupation. More scrutiny of duration of costs, utilities not over quoting duration as a cost through permit

SMBC2/TPI 4 Average duration of work phases completed



The average duration of all works phases completed for the main works promoters

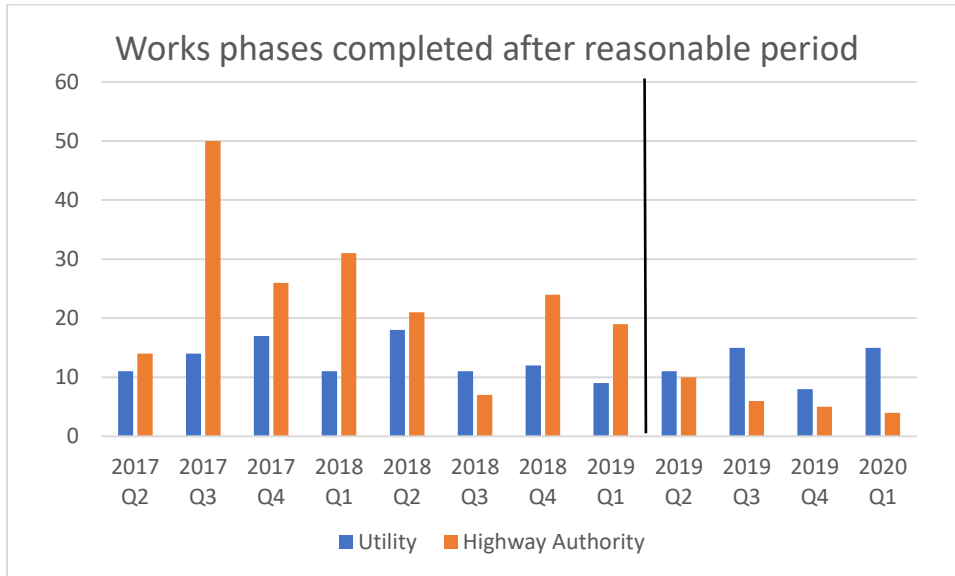
The average duration of works has increased slightly between 1BP and Year 1 of the permit scheme. This is due to the transition period from notification to permit scheme, which resulted in works taking longer due to increased scrutiny of applications.

Highway authority occupation is shown as very high in Q3 of 2017, having analysed the figures a number of late stops for works were recorded due to inputting and system errors. This was corrected during the development in year one.

Overruns

SMBC 1 / TPI 5 Work phases completed on time/overrun days

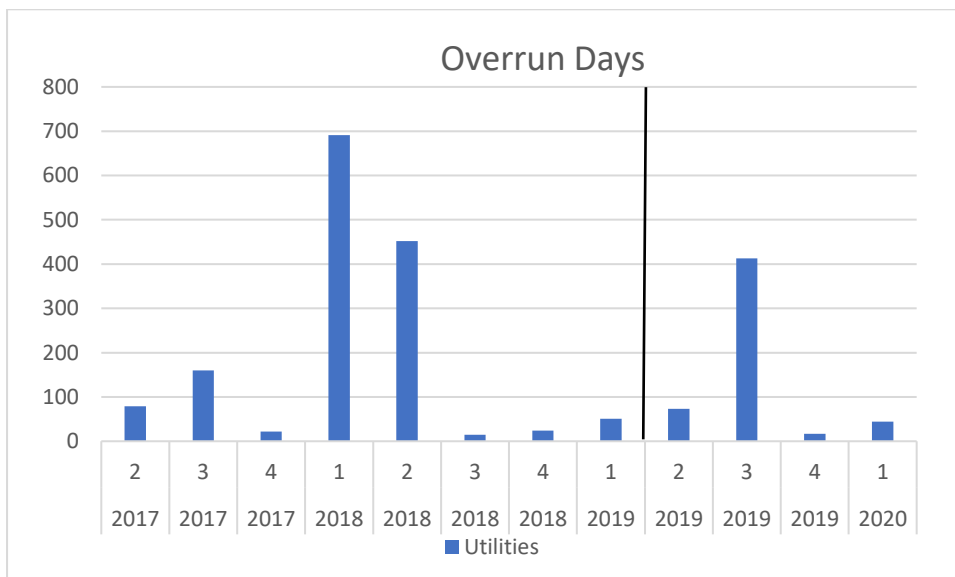
This is the number of work phases overrunning their agreed period.



Information can be compared to TPI 2 on page 13, for example in Q1 2020 out of 1800 work phases complete, only 15 overran.

Total overrun days

For works not completed on time the total number of days by which the work overran is also calculated.

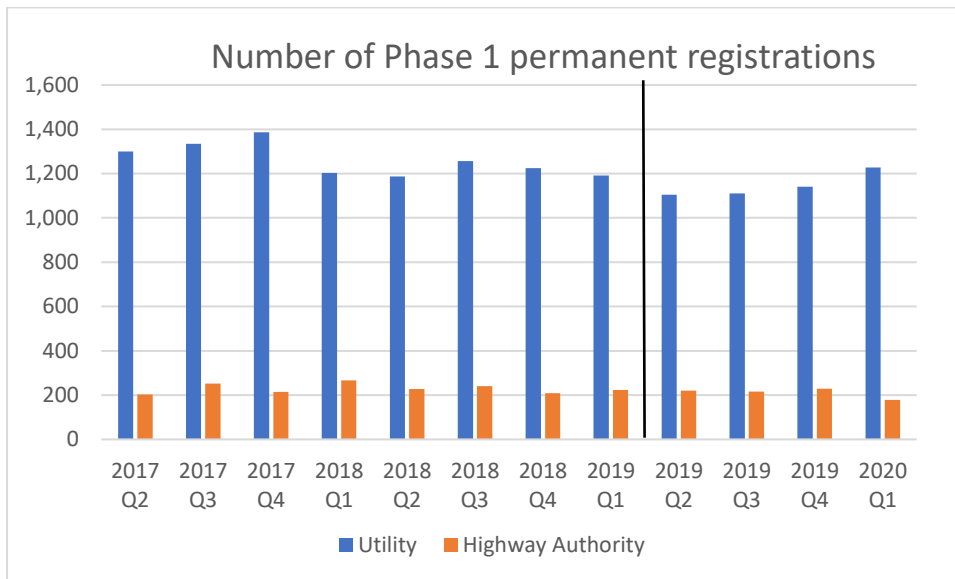


At the start of the work the promoter indicates the duration of the planned work, the number of days for the work can be amended through a duration variation.

Since the introduction of the permit scheme in Q2 2019, the volume of works overrun days has reduced except Q3.

After further investigation this was due to a misunderstanding of system input requirements, which was resolved through operational training.

TPI 7 no of phase one permanent registrations / SMBC 6

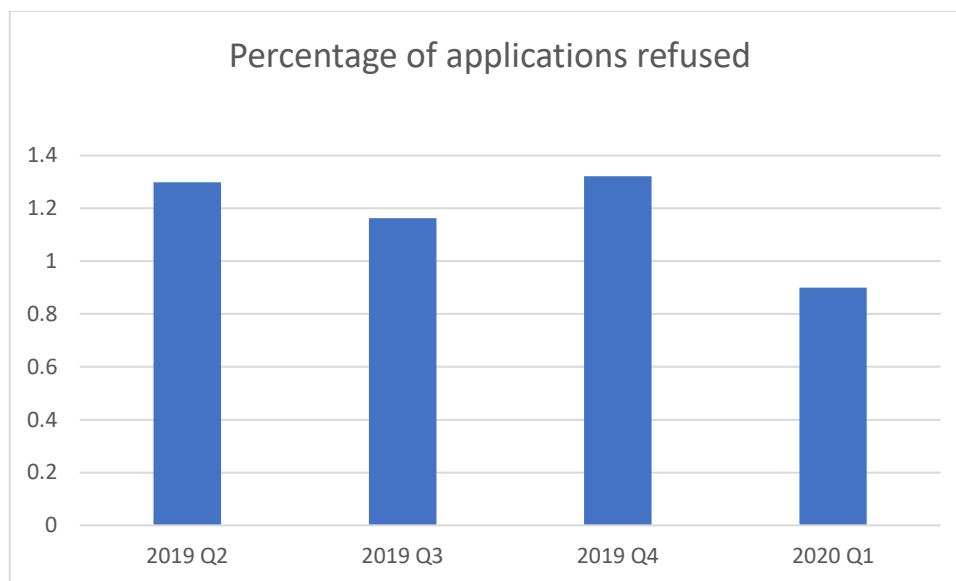


The number of phase one permanent registration has stayed consistent between notification process and the introduction of the permit scheme.

SMBC 3 Number of collaborative works and the days of saved occupation

As part of the operational process and system development, new ways are being developed to improve data capture and facilitate a meaningful evaluation of this KPI in future evaluations. The authority will work directly with promoters to ensure collaborative schemes are captured on the system and continue to highlight the benefits and encourage the use of this working method through coordination meetings etc.

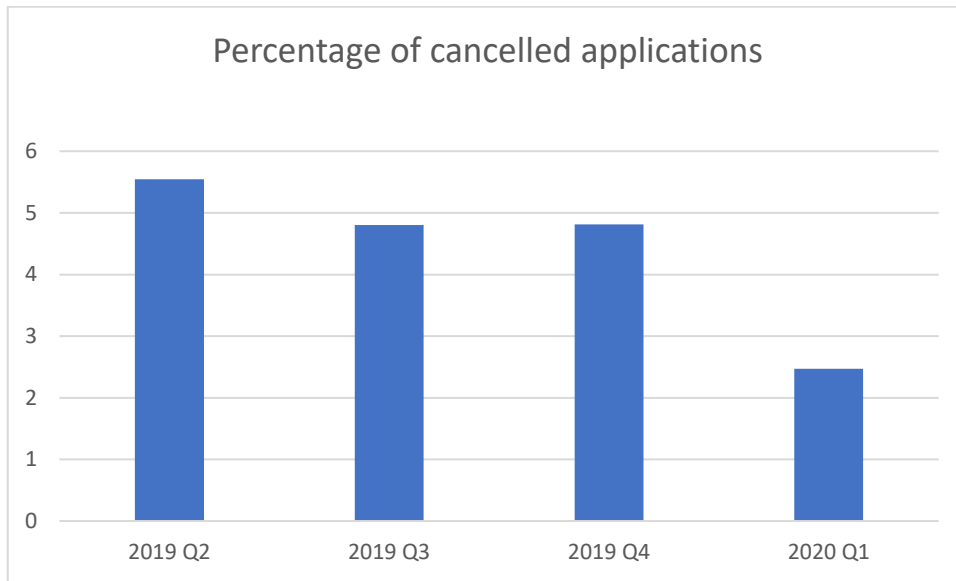
SBMC 4 Number of refused permits by refusal reason



This shows the percentage of applications refused for Year 1 of the permit scheme.

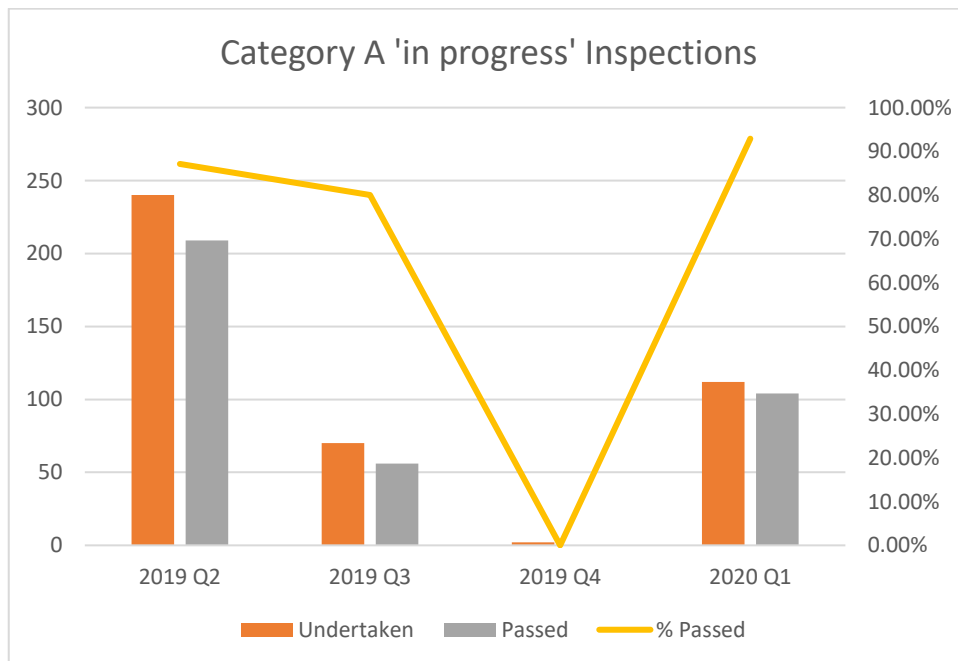
As part of the operational process and system development, new ways are being developed to improve data capture and facilitate a meaningful evaluation of this KPI in future evaluations. The authority aims to be able to identify particular areas where promoters are failing for example, inappropriate traffic management, clash of works, section 58 works etc. The authority will work directly with promoters providing additional training and feedback to improve the quality of applications.

SMBC 5 Number of cancellations as a percentage of granted permits



This shows the percentage of applications cancelled for Year 1 of the permit scheme. Historical data is not available to compare the years before the permit scheme came into operation, Year 1 data will be the baseline figure for future annual evaluations.

SMBC 7 Category A 'in progress' inspection results



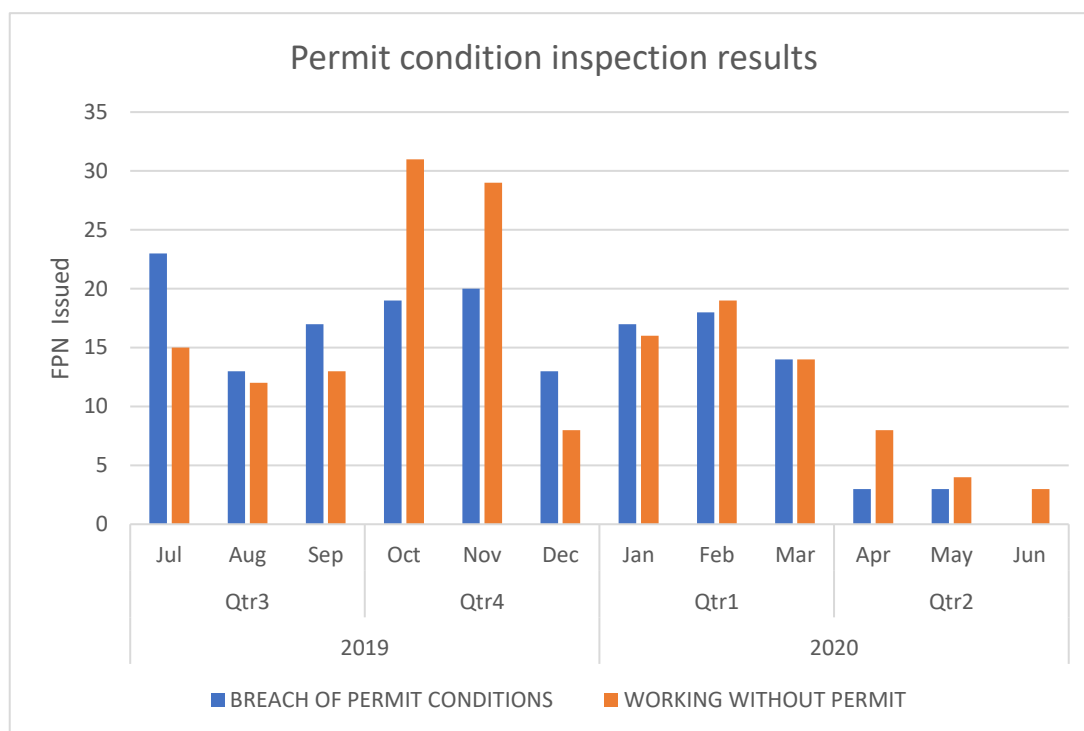
During 2019 Q3 following government advice, Inspections were suspended due to COVID -19, this suspension was lifted during 2020 Q1.

SMBC 8 Permit condition inspection results

Permit compliance inspections are carried out either as part of the Category A inspections or ad-hoc inspections, where the work has not been notified to the Council and a record does not exist. The permit inspection results are categorised as a contravention of one of the two regulations detailed below:

- Regulation 19 - working without a permit; and
- Regulation 20 – working in breach of a permit condition.

The chart below shows the permit inspection results during year 1 of the permit scheme.



This information is only available for permit scheme Year 1, Fixed Penalty Notices (FPN's) were not issued through the notification process.

Apr to June 2020, due to Covid 19 the inspection process was suspended therefore the permit team raised very few FPN's

It is positive to see that throughout the first year generally the number of occurrences of both breaches has reduced.

Future evaluations of this operational performance measure will be analysed year on year. Additional detailed analysis should be completed for each promoter, to identify the most common condition breaches, the authority should liaise with utility providers to understand why breaches occur and encourage improvements to reduce the number of occurrences.

6. Permit fee income and Cost/Benefit

Permit fee income

The Traffic Management Permit Scheme (England) (Amendment) Regulations 2015 requires that the Permit Authority shall consider whether the fee structure needs to be changed considering the income and expenditure of the scheme;

Permit fees can be charged for the following

- (i) The issue of a permit
- (ii) An application of a permit, where the permit scheme required a provisional advance authorisation.
- (iii) Each occasion where there is a variation of a permit

The authority used the DfT Permit Fees Matrix to calculate the initial cost of resources that would be required to operate the scheme, and to calculate the permit fee levels. Fee levels have also been developed by the permit authority that are considered proportionate to the significance of the street and the likely amount of work required to effectively coordinate and manage activities.

The Permit Authority will charge fees in accordance with Regulation 30, Permit fees do not include costs charged or recoverable by highway authorities in relation to consents or other requirements such as for Temporary Traffic Orders or Notices or parking suspensions related to other works being carried out.

Fees are payable by Statutory Undertakers, but highway authorities are not charged. This is due simply to the fact that the money charged would only circulate around a highway authority. However, to promote good practice the Permit Authority is encouraged to use a shadow charging arrangement to show the cost of issuing permits to its own Promoters both to help understand its own costs and to set those alongside the costs to other Promoters.

The authority sets its own fee structure as shown below:

Fees to be charged by the Permit Authority.		
Activity type	Charge on strategically significant streets	Charge on non-strategically significant streets
Provisional Advance Authorisation	£103	£75
Major activities (over 10 days duration AND major activities requiring a TTRO)	£218	£143
Major activities (4 to 10 days duration)	£117	£73
Major activities (up to 3 days duration)	£53	£40
Standard activities	£117	£73
Minor activities	£53	£40
Immediate activities	£40	£28
Permit variation	£45	£35

The authority will give consideration as to whether the fee structure needs to be changed following an audit of the income and expenditure from Year 1 and future evaluations.

Costs

The authority have identified the income and expenditure of the first year of operation. The expenditure are the costs incurred by the scheme, associated to operational costs (staff, consultants, maintenance/running costs) and capital costs (IT equipment, software, training, PPE etc). The income will be generated by the payment of permit fees.

Prior to the first year of operation, set up costs of the permit scheme also needed to be identified. The setup costs include consultancy fees, internal staff time in the preparation and implementation of the scheme. The authority plans to recover the set-up costs from permit fee income generation over three years of the scheme's operation. The recovery of set-up costs will be reviewed in each annual evaluation.

The scheme set up costs have been identified as £ 313,155.01

Year 1 operational costs have been identified as £ 416, 560.97

Year 1 Income has been identified as £ 466,559.90 therefore providing a surplus of £ 49,998.93

The authority will monitor the income from the permit fees in subsequent year two and three evaluations. Income could be subject to significant change; a realistic projection of future income levels needs to be established and a sustained surplus or deficit identified before fee structures are reviewed.

Cost and benefit analysis

Sandwell MBC's permit scheme will help deliver a range of national and local key objectives as detailed in this report. The scheme is likely to deliver societal benefits in excess of the costs of implementing and operating the scheme such as:

- Improved road user travel time (reduction in delays caused to consumers and businesses as a result of roadworks)
- Reduction in road user vehicle operating costs (reduced delays and diversions reduce petrol costs etc for consumers and businesses)
- Reductions in accidents where road works/diversions are listed as a causation factor.
- Reduction in emissions (less congestion and diversions)

The authority will identify ways to estimate/quantify the effect that the permit scheme has on societal benefits.

The authority considered using average journey time data to calculate a reduction in the delays associated to road works. The Department for Transport (DfT) produce journey time data that could have been accessed for this purpose.

Earlier this year, the DfT announced that it had suspended the production of the Journey Time Statistics series. This was due to not being able to physically access office-based dedicated IT equipment during the ongoing coronavirus (COVID-19) pandemic.

The DfT have confirmed that 2018 data will not be published, however, they have started work on the production of the next set of outputs for 2019. It was expected that the 2019 data will be published by the end of summer 2021, however, this data has not been published.

Until the data is published it is unclear how Covid 19 will have impacted on the journey times and if the data is reliable to draw any conclusions from. The first calendar year of Sandwell's Permit scheme's operation include the first 3 months of the initial lockdown where traffic levels fell significantly as people worked from home and only travelled for essential journeys.

The DfT has been engaging with a range of users of the published Journey Time Statistics and confirms the need for the continued publication of these outputs and has highlighted several areas for improvement.

The authority will consider the use of this data in future evaluation reports, or if there are other methods that could be used to obtain data.

Other authorities have used modelling software QUADRO to estimate the following:

- Road users travel time (delay caused to consumers and business as a result)
- Road user vehicle operating costs (the impact of delay and diversion on vehicle operating costs for consumers and business)
- Emissions costs (resulted from congested conditions and diversion)
- Indirect tax revenue (increased tax revenue to exchequer as a result of higher fuel consumption).

Highway services do not currently have access to QUADRO, Sandwell officers will investigate how access can be established and determine if purchase of modelling software would prove value for money.

The societal cost of a single "typical" day of road works is quantified in pounds the total duration of road works during year is quantified in days, this information is used to calculate a total cost of road works with and without the permit scheme.

The default assumption relating to anticipated impact of the permit scheme is expected to be 5% reduction in the total cost of roadworks as set out in the DfT permit Scheme evaluation guidance published in 2016.

7. Conclusion/Summary

From the outset of the introduction of the permit scheme it was accepted that year 1 would represent a period of embedding of the new working practices and teams.

In preparing the evaluation the Council have faced significant challenge with the collection and analysis of data to produce meaningful results. This has led to a limitation of the level of analysis that could be undertaken specifically looking beyond base measures, such as permit volumes and measuring the application and coordination processes. Covid 19 and the new ways of working that were required has impacted on the permits team and works promoters during the last quarter of year one.

The Highway Service have used the year one evaluation as an opportunity to establish and develop a base measure of working practice and performance.

The operation of the permits scheme provides the ability to coordinate and monitor works carried out under a permit has been established. This has resulted in greater control over road and street works taking place in Sandwell, by ensuring that works are carried out at the least disruptive time along with suitable traffic management.

The successful operation of the permits team reduces street works occupation, this reduces delays and clutter on the highway and public realm. Which is of particular benefit to vulnerable road users poorly planned and laid out works can form a significant hazard and barrier to accessing facilities and services.

Details of street works are published on one.network a public facing portal available online, which enables everyone to view when and where works are being carried out. Members of the public can then make an informed decision when planning journeys as well as having contact details for the works promoter should they need to raise an issue.

Year one is viewed as a success the overall objectives of the permits scheme as detailed in section 2 have been achieved as detailed on page 5.