

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO CABINET

24 NOVEMBER 2015

### REPORT OF THE CORPORATE DIRECTOR – COMMUNITIES

#### PROPOSED INTRODUCTION OF A ROAD WORKS PERMIT SCHEME

##### **1. Purpose of Report.**

- 1.1 Street works management helps to create a safe highway environment for all its users and seeks to reduce delays to the travelling public by controlling excavations and works within the highway.
- 1.2 With ever increasing challenges to council budgets a more sustainable means of delivering this service has been under consideration.
- 1.3 It is therefore the purpose of this report to propose changes to the current method of street work management from its current noticing method to that of a permit scheme and to seek authorisation from Cabinet to commence consultation on this proposal and subject to that consultation seek authorisation from Welsh Assembly Government to authorise such a scheme within Bridgend County Borough.

##### **2. Connection to Corporate Improvement Objectives/Other Corporate Priorities**

- 2.1 Is part of the Corporate Improvement Plan 2013-17 (Reviewed 2015-16) Priority One – Working together to develop the local economy.
- 2.2 The plan indicates that it wants town centres, business premises and transport and communication networks that cater for the needs of residents, businesses and visitors, to ensure access to employment opportunities that are varied and secure in the long-term by March 2017.
- 2.3 The plan indicates that it will:
  - continue to implement key regeneration projects and programmes to enhance and develop our economy;
  - ensure that the borough can compete on a regional level for jobs, attracting further investment from new and existing businesses and supporting entrepreneurs;
  - work with public transport providers and communities to improve transport links;
  - implement Rights of Way, cycleways and community routes to provide alternatives to vehicle and public transport;
  - undertake highway works to improve the overall highway network and safety; and
  - continue to attract tourists to the area to sustain the economy.
- 2.4 Works undertaken on the highway impact on the transport network and can impact on the economic vitality of businesses and as such a means of controlling such works are required in support of the Corporate Plan objectives. The Authority also

has a statutory duty to co-ordinate works in the highway and manage the highway network effectively in accordance with The New Roads and Street Works Act 1991 and The Traffic Management Act 2004.

### **3. Background.**

- 3.1 The Traffic Management Act (TMA) Network Management duty requires local authorities through their Network Management Plan and the Traffic Manager to proactively minimise traffic congestion. The ability of people and goods to move freely and meeting the everyday needs of business and citizens depends largely on the road network. The control of works on the highway facilitates this to occur and the permit scheme approach will address, in a robust and positive way, the major cause of road congestion that results from the reduction in the capacity of the highway brought about by road works.
- 1.2 All road works to some extent reduce the width of the street available to traffic, pedestrians and other users. They can also inconvenience businesses, local residents and highway safety in general, if not effectively monitored. The scale of disruption and nuisance will depend on the type of activity and the sensitivity of the traffic-flow of the particular street in question. In all cases, public tolerance is strained when one set of road works is quickly followed by another or remains in place longer than necessary, or when the Highway Authority resurfaces the street and it is promptly dug up by a utility company for further disruptive road works. Key significant employment industries in Bridgend such as Ford, CGI, Logica and the Bridgend Designer outlet rely on a free flowing highway infrastructure and the impact of the network not being managed effectively could be significant for these major local employers.
- 1.3 The move to the permit scheme approach enables Councils to sustainably ensure the critical management and co-ordination of road works more proactively than using the more reactive “noticing” regime (New Roads and Street Works Act 1991) NRSWA in the context of key budget challenges. The Permit Scheme brings with it a responsibility to use additional powers to enable an Authority to better manage its network, minimise disruption to its users, and improve the efficiency and reliability of the transport network as one of its strategic transport objectives on behalf of the Authority and its stakeholders. This is key to a transport infrastructure that supports economic growth and attracts investment.
- 3.2 It is recognised that the Authority needs to change the way it carries out its activities in order to provide services in a more sustainable way. Monitoring street works activities relies heavily on the resources being available to inspect works on the highway, the provision of this resource without the support of a Permit Scheme will be unsustainable given the level of savings the highways budget will have to deliver in line with the Medium Term Financial Strategy. Without this support the inevitable result will be uncontrolled works being carried out on the highway network of Bridgend with increasing frequency. With the potential for substandard works to be missed and resulting accidents, claims and reactive repair costs having to be borne by the Authority.

#### **4. Current situation / proposal.**

- 4.1 The TMA includes provision for Permit schemes to enhance the management and coordination of network activities. Reduction of congestion is one of the key challenges for transport today, at both national and local levels. At the time of writing, the uptake of permit schemes within English Authorities stands at 84 out of the 156 authorities having now adopted street works permitting schemes.
- 4.2 The current system as employed by Bridgend CBC under the NRSWA has only limited influence over how works are executed through the current coordination process and noticing process, with a cost burden to process the notices and no mechanism to charge for the administration of the processes. This leads to a less proactive and robust service than a Permit Scheme would be able to provide and given the financial pressures being exerted on Local Authorities a permitting scheme is identified as providing the opportunity both to manage the highway network more efficiently and at the same time ensuring sustainability.
- 4.3 A permit scheme in its simplest terms seeks parity between the way it deals with all works promoters with both Utility companies and the Highway authority needing to apply for a permit to occupy the road. The Permit Authority can impose appropriate conditions attached to the permit thereby stipulating requirements in order to minimize disruption and congestion. If a body takes possession of the road without seeking a permit or breaching a condition, then it would be subject to a fixed penalty. A series of key performance indicators would also be produced and shared with any other permit scheme member and all statutory undertakers.
- 4.4 As the scheme is aimed at being self-financing, the charges to be determined must be carefully calculated as profits are not permitted under the Traffic Management Act 2004 . Any financial surplus may be subject to repayment through mechanisms such as rebates or discounted permits. Surpluses are also ring-fenced and should only be used for activities identified by the permit scheme for network management purposes. In adopting such a scheme it must be realised that the works undertaker may decide to pass the cost of the permits onto their customers either directly or indirectly. However, the potential benefits to the public and economy are significant due to the increased powers and resources made available to the council that choose to run a permit scheme. Studies undertaken in other permit scheme areas have also shown that proportionally the cost that could actually be passed onto utility company customers as the result of a permit scheme being put into place is very small.
- 4.5 In moving forward to the delivery of a successful Permit Scheme, a process of stakeholder consultation needs to be entered into with organisations such as the statutory undertakers, the emergency services, The Passenger Transport Authority and other organisations that the authority deem appropriate to include in the consultation process. Such consultees could for example include; the Freight Haulage Association, Confederation of British Industries and key groups representing vulnerable individuals who use BCBC highways among others. This consultation will seek to explain the Bridgend proposal and also invite responses from the participant organisations as to elements such as the conditions attached to permits granted within the proposed scheme.

- 4.6 Once this consultation has been completed the Authority would be in a position to consider submission of its business case to Welsh Government for determination.
- 4.7 If approved it will be necessary that additional specialist staff and software will be needed to manage the Permit Scheme which are reclaimable against the scheme and would be included in the cost neutral business case for such a scheme .

## **5. Effect upon Policy Framework& Procedure Rules.**

- 5.1 The Traffic Management Act (TMA) Network Management duty requires local authorities through their Network Management Plan and the Traffic Manager to proactively minimise traffic congestion. The permit scheme approach will address, in a robust and positive way, the major cause of road congestion that results from the reduction in the capacity of the highway brought about by road works.

## **6. Equality Impact Assessment**

- 6.1 An EIA is to be completed as the stakeholder engagement process is undertaken.

## **7. Financial Implications.**

A business case will be required to support the Permit Scheme with a full Value For Money exercise undertaken. This will be assessed and requires approval by Welsh Government before the scheme can be introduced. The business case will need to demonstrate that the Permit Scheme will be cost neutral to Bridgend Council. The business case will be developed by external consultants supported by funding from the Corporate Change Management Programme.

## **8. Recommendation.**

It is recommended that:

1. Cabinet approve the advancement of the scheme to stakeholder engagement.
2. That following the stakeholder consultation a further report is presented to Cabinet prior to the business case being submitted to the Welsh Government for approval.

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