



SHEFFIELD CITY COUNCIL Cabinet Highways Committee

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Report of: Executive Director, Place

Date: 9th June 2011

Subject: Report results on consultation on permit to work on the highway scheme, and seek approval to apply to operate this scheme.

Author of Report: P Vickers – 0114 2736159

Summary:

On 14th October 2010 Highways Cabinet Committee approved a Public Consultation on a draft of Sheffield's "Permit to work in the Highway" scheme. Committee asked that the results of this consultation should be reported back to them for consideration.

This report sets out the results of the Consultation and asks for Committee approval to apply to the Secretary of State for Transport to operate a Permit to work on the Highway scheme in Sheffield.

Reasons for Recommendations:

The Yorkshire Common Permit scheme (Sheffield) will help to reduce disruption caused by road and street works. It will provide an important tool to officers managing the Highways PFI build programme and as more local Authorities adopt the scheme efficiencies of scale will become available.

Recommendations:

To approve a submission to the Secretary of State for Transport to allow the "Yorkshire Common Permit scheme" to be operated in Sheffield

Background Papers:

Category of Report: OPEN/CLOSED

If closed add – Not for publication because it contains exempt information under Paragraph.... Of the Schedule 12A of the Local Government Act 1972 (as Amended)

Statutory and Council Policy Checklist

Financial Implications
YES/NO Cleared by: Catherine Rodgers
Legal Implications
YES/NO Cleared by: Julian Ward
Equality of Opportunity Implications
YES/NO Cleared by: Ian Oldershaw
Tackling Health Inequalities Implications
YES/NO
Human rights Implications
YES/NO:
Environmental and Sustainability implications
YES/NO
Economic impact
YES/NO
Community safety implications
YES/NO
Human resources implications
YES/NO
Property implications
YES/NO
Area(s) affected
Transport and Highways
Relevant Cabinet Portfolio Leader
Councillor Leigh Bramall
Relevant Scrutiny Committee if decision called in
Is the item a matter which is reserved for approval by the City Council?
YES/NO
Press release
YES/NO

REPORT RESULTS ON CONSULTATION ON PERMIT TO WORK ON THE HIGHWAY SCHEME, AND SEEK APPROVAL TO APPLY TO OPERATE THIS SCHEME

1.0 SUMMARY

- 1.1 On 14th October 2010 Highways Cabinet Committee approved a Public Consultation on a draft of Sheffield's "Permit to work in the Highway" scheme. Committee asked that the results of this consultation should be reported back to them for consideration.
- 1.2 This report sets out the results of the Consultation and asks for Committee approval to apply to the Secretary of State for Transport to operate a Permit to work on the Highway scheme in Sheffield.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 The permit scheme will give greater control over roadworks on the busiest and most important traffic routes in the City. This will reduce delays and congestion for residents and businesses in Sheffield. It will meet the Corporate Plan priorities of "Reducing Congestion", "Reducing Carbon footprint", "Safer Roads", "Streets to be proud of" and "A modern and efficient organisation".
- 2.2 The Highways Private Finance Initiative (PFI) scheme requires an increased level of control if this project is to be completed without unacceptable disruption to the daily travel arrangements of people in Sheffield. The Permit scheme is one additional tool that can be used to help achieve this aim.

3.0 OUTCOME AND SUSTAINABILITY

- 3.1 One of the required steps in deciding whether to proceed with a permit scheme in an authority area, (prior to an application), is the production of a robust cost benefit analysis. All of the four South Yorkshire authorities, together with Leeds City Council and Kirklees Council have taken the initiative to the next stage. All six authorities have now had a full cost benefit analysis carried out to give an individual appraisal to each authority, using common principles and methodology. That work has been carried out by engineering consultants WSP, who were selected from a short list of potential consultants and who carried out much of the work on the successful Northamptonshire scheme. Wakefield, Calderdale and Bradford Council's are now in discussion with WSP to provide the same service for their proposed schemes.

4.0 REPORT

- 4.1 From December 2010 to March 2011 for a period of 10 weeks, the Yorkshire Permit Planning Group including Sheffield City Council invited over 300 consultees (statutory and local) to comment on the scheme. The consultation was also widely advertised to enable local people to respond. There have been 186 responses of which 18 were positive, received from interested parties such as South Yorkshire Police, South and West Yorkshire Passenger Transport Executives (PTEs,) and bus companies. 151 were neutral and 17 were against the scheme. Many of the 151 responses (the majority from utilities) were seeking points of clarification in the scheme documentation or permit scheme procedures.

Should the scheme be approved, the Yorkshire permit scheme group will work with these organisations during the implementation phase to provide a smooth transition from the current streetworks noticing arrangements to the successful launch of the permit scheme. The results of the consultation also highlighted the need to undertake minor amendments to the permit scheme documentation, which has been completed.

- 4.2 The objections received centred around the perceived increase in bureaucracy, and whether the scheme provided value for money. Both of these issues are dealt with by the independent Cost Benefit Analysis carried out for the Council as part of the scheme appraisal process. This analysis showed that the proposed Sheffield permit scheme gives a positive rate of return with the benefits double the cost (a figure of 2.1). This ratio uses the total fee charges for a recent typical years' worth of utility works on the roads which would be subject to a permit scheme, calculated by the Council's Highway Coordination team, using the Department for Transport's (DfT's) fee matrix.
- 4.3 The two companies who are bidding to provide the Highways PFI project for Sheffield have had access to the draft Permit scheme document.
- 4.4 Leeds, Kirklees, Barnsley, Doncaster, Rotherham are involved in the Yorkshire Common Permit scheme. Wakefield, Bradford and Calderdale have now started the process of preparing for Consultation on the Yorkshire scheme. By covering such a large area with one "Common" scheme, with the same method of operation it is hoped that there will be economies of scale available to all parties in the longer term.
- 4.5 The next step in this process is for Committee to approve the scheme for submission to the Secretary of State for Transport to operate a Permit scheme in the Sheffield area. From the date when the submission is made, to the earliest date when Sheffield would be able to operate a Permit scheme, if the submission is successful, is 30 weeks.

4.6 **Relevant Implications**

The Department for Transport (DfT) permit fee calculation matrix includes a validation check to determine the number of officers required to work on permit applications and permit conditions vetting for the authority. Only the additional staff required for dealing with utility works permits can be funded from the permit fees. The additional staff needed to deal with our own works permits should be funded by the authority. The DfT require fee level and scheme cost audits, to verify that all fee income is needed, and used, to administer the scheme. The cost of setting up the permit scheme can be recouped from permit charge income. Funding for additional staff required to assess our own works Permit applications is identified in proposals from Transport and Highways for a revised structure to help manage the Highways PFI project.

- 4.7 There will be a need to recruit new staff, to train existing staff and to procure some additional IT hardware as part of the preparation to operate a Permit scheme. This expenditure will be required in this financial year (2011-12). Any costs incurred will be recoverable through Permit fees but these will not be recouped until financial year 2012-13.

Any financial implications resulting from the permit scheme are expected to be managed within the Highways PFI project and from the income generated from utilities. Consideration is currently being given to the impact of any timing difference between upfront expenditure costs being incurred in 11/12 prior to income being received through the permit scheme in 12/13. However, this is expected to be managed alongside other costs.

- 4.8 In October 2010 when Highways Cabinet Committee approved a Public Consultation on a draft of this scheme the Equality Impact of this proposal was assessed in the following way, "the permit scheme is likely to be of universal positive benefit to all regardless of age, sex, religion, race, disability, sexuality, etc. The greater control over road works on busy/important transport routes will reduce delays and congestion for everyone. It will make the roads safer and reduce the carbon footprint for everyone. It will improve air quality and pedestrian safety for everyone. It will also reduce costs and increase standards for everyone. No negative equality impacts are likely". The Place officer responsible for the Equalities Impact Assessment has confirmed that this is still the case.

5.0 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Do nothing and continue with the existing system for managing roadwork's. This is a possibility but will not give that additional level of control that the introduction of a Permit scheme would. This would have a major, negative impact on the Highways PFI works and the movement of traffic in Sheffield.
- 5.2 Operate a "joint" Permit scheme that was administered by one Highway Authority on behalf of a number of other Authorities, for example the four South Yorkshire Authorities. This is a possibility, and may be the direction that Sheffield wishes to take in the longer term. A move in this direction would take at least two years to bring into operation, and not be available for the expected start date of Sheffield's Highways PFI project.

6.0 REASONS FOR RECOMMENDATIONS

- 6.1 The Yorkshire Common Permit scheme (Sheffield) will help to reduce disruption caused by road and street works. It will provide an important tool to officers managing the Highways PFI build programme and as more, local Authorities adopt the scheme efficiencies of scale will become available.

7.0 RECOMMENDATION

- 7.1 To approve a submission to the Secretary of State for Transport to allow the "Yorkshire Common Permit scheme" to be operated in Sheffield.

Simon Green
Executive Director
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