



# **Permit Scheme**

## **For Road Works and Street Works**

### **Evaluation Report Year 3**

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## Executive Summary

In July 2018 the Secretary of State for Transport wrote to all councils that had not yet done so asking them to consider adopting a system of permits for utility street works & highway authority road works. The main reason behind the request is that it will give the Council, as Highway Authority, greater control over works on our highway network.

At the time of receiving this letter only North Tyneside and North Yorkshire had introduced a Permit scheme in the North East. The remaining ten North East Highway Authorities worked collaboratively to develop and implement Permit Schemes. The Darlington Permit Scheme went live on 2<sup>nd</sup> March 2020.

The scheme will be evaluated after each of the first 3 years and then 3-yearly after that. These evaluation reports will include measurement of success against the key objectives of the Permit Scheme using performance monitoring as detailed below and also to demonstrate parity of treatment between Highway Authority and Utility works.

The first year of the Permit Scheme had the added difficulty of managing the impacts of the Covid-19 pandemic. The difficulties encountered applied to both Utilities and the Highway Authority so it was more important than ever to work together, building on existing good working relationships, in order to resolve any issues so we were able to manage and maintain the local highway network whilst allowing promoters access to maintain their services and assets.

The second year of the scheme was still impacted by the Covid-19 pandemic but to a much lesser degree to the first year.

The third year saw a steep rise in permit requests from communication companies as the governments drive to improve fast broadband availability started to take effect in Darlington.

The key headlines from this review are:

- A total of 8646 permit applications and variations were received (up 58% from year 2) with only 179 (2.07%) being refused.
- 8646 permit applications and variations were received with 99.93% being assessed within the permitted timescales.
- The permit scheme has a surplus in year 3 of £2,283.40, with a combined year 1 to 3 surplus of £2,180.41. The scheme should be cost neutral on allowable costs that can be recovered through permit fees, the surplus over the first 3 years equates to 0.35%.

## Performance Monitoring

### TPI Measures

A set of Key Performance Indicators has been developed by the HAUC (England) Permit Forum to demonstrate the effectiveness of the scheme in meeting the stated objectives. Such TPI's may be redeveloped by the DfT and/or HAUC (England) and may be subject to change from time to time. Darlington Borough Council will always follow the latest TPI requirements.

The data for TPI's and KPI's is over the 12 month period from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023.

The figures included in the performance monitoring can be compared to future reports to measure the impact and performance of the Permit Scheme against its set objectives and to drive improvements where necessary.

- TPI 1 – Work Phases Started
- TPI 2 – Works Phases Completed
- TPI 3 – Days of Occupancy Phases Completed
- TPI 4 – Average Duration of Works
- TPI 5 – Phases Completed Involving Overrun
- TPI 6 - Number of Overrun Days
- TPI 7 – Number of Phase One Registrations
- TPI 8 – Number of Phase One Permanent Registrations
- TPI 9 - Incorrectly Timed Notices

- TPI 13 - Early Start Agreements



## Performance Indicators

	TPI 1 – Work Phases Started	TPI 2 – Works Phases Completed	TPI 3 – Days of Occupancy Phases Completed	TPI 4 – Average Duration of Works	TPI 5 – Phases Completed Involving	TPI 6 - Number of Overrun Days	TPI 7 – Number of Phase One Registrations	TPI 8 – Number of Phase One Permanent Registrations	TPI 9 - Incorrectly Timed Notices	TPI 13 - Early Start Agreements
Highways England	63	62	293	5	0	0	0	0	147	1
BT	793	790	2,552	3	2	7	664	637	62	27
Darlington	892	901	12,479	12	3	20	492	10	421	785
Northern Powergrid (Yorkshire) plc	1	1	4	4	0	0	0	0	0	0
Northern Powergrid (Northeast) Limited	357	357	3,359	8	2	8	311	305	83	16
Vodafone	1	1	1	1	0	0	1	0	0	0
NETWORK RAIL -PROMOTERS NATIONAL	22	24	1,172	4	0	0	1	1	17	2
VIRGIN MEDIA	155	155	3,250	2	0	0	131	116	8	35
Telefonica (O2 (UK) Limited)	7	7	25	4	0	0	2	2	1	3
Romec	1	1	1	1	0	0	1	1	0	0
GTC	12	17	125	9	0	0	11	9	3	8
T-Mobile (UK) Limited	9	9	23	3	0	0	2	2	0	0
HUTCHISON 3G LTD	4	4	11	3	0	0	4	4	0	0
Last Mile Electricity Limited	1	1	24	24	0	0	1	1	0	0
Northern Gas Networks	352	356	6,253	18	1	3	311	309	39	119
Energy Assests Networks Ltd	3	3	21	7	0	0	1	1	2	0
MURPHY POWER DISTRIBUTION	1	1	19	19	0	0	1	1	0	0
Netomnia Ltd	858	859	2,201	3	2	2	751	743	74	149
Electricity Network Company Ltd	3	2	10	4	0	0	1	0	6	0
NORTHUMBRIAN WATER	824	824	6,196	6	28	52	630	605	100	144
<b>ALL ORGANISATIONS</b>	<b>4,359</b>	<b>4,375</b>	<b>38,019</b>	<b>137</b>	<b>38</b>	<b>92</b>	<b>3,316</b>	<b>2,747</b>	<b>963</b>	<b>1,289</b>

Darlington Borough Council as Permit Authority will demonstrate parity of treatment for all activity promoters, particularly between undertakers and its own activities as highway authority. To demonstrate this a series of performance indicators will be used to capture this information for analysis.

We encourage discussions of works/variations/early start details with our street works section to improve co-ordination and planning. We appreciate this is easier for our internal works sections than it may be for public utilities but we will try and work with every works promotor to facilitate their request whenever possible, this is reflected in the low level of permit refusals and high percentage of early entry agreements.

**KPI 1 - The number of applications for Permits and variations received, the number granted and the number refused.**

	Permit Applications/Variations	Permit Applications Granted	Permit Applications Refused
Utilities	6903	5308 77%	162 2.35%
Darlington	1743	1586 91%	17 0.98%
Total	8646	6894 80%	179 2.07%

## KPI 2 - The number of conditions applied by condition type

		Utilities	Darlington	Total
NCT02a	Limit the days and times of day	2,332	12	2,344
NCT02b	Working hours	444	0	444
NCT03	Activities ancillary to those permitted - supplementary information	0	0	0
NCT04a	Removal of surplus material/plant	1,766	0	1,766
NCT04b	Storage of surplus materials/plant	529	0	529
NCT05a	Width and/or length of road space that can be occupied	110	2	112
NCT06a	Road space to be available to traffic/pedestrians at certain times of day	978	2	980
NCT07a	Road closed to traffic	173	345	518
NCT08a	Traffic management request	826	691	1,517
NCT08b	Manual control of traffic management	345	3	348
NCT09a	Changes to traffic management arrangements	31	0	31
NCT09b	Traffic management arrangements to be in place	667	0	667
NCT09c	Signal removal from operation when no longer required	432	0	432
NCT09d	Changes to traffic management arrangements	1	0	1
NCT10a	Employment of appropriate methodology	1,340	0	1,340
NCT11b	Publicity for proposed works	805	0	805
NCT12a	Limit timing of certain events	0	0	0
NCT13	Exceptional circumstance	0	0	0



KPI 3 - The number of approved variations (extensions)

	Duration Variation Applications	Duration Variation Applications Approved	Duration Variation Applications Refused
Utilities	578	560 97%	18 3.11%
Darlington	368	365 99%	3 0.82%
Total	946	925 98%	21 2.22%

KPI 4 – The number of deemed permits

	Permit Applications/Variations	Permit Applications Deemed	
Utilities	6903	4	0.06%
Darlington	1743	2	0.11%
Total	8646	6	0.07%

### KPI 5 - The number of early entries applied for

	Early Entries Applied for	Early Entries Agreed
Utilities	567	504
Darlington	752	785
Total	1319	1289

These figures are based on a 12 month period from 1<sup>st</sup> April 2022 – 31<sup>st</sup> March 2023. The early entries agreed figures may correspond to early entries applied for in a different period.

## Financial Information

The permit scheme should be cost neutral on allowable costs that can be recovered through permit fees. If there is a surplus or deficit then the permit fees can be adjusted provided it can be justified and still within the capped levels set Nationally. It is generally accepted that permit schemes can take up to three years to become financially stable, set up costs are not expected to be recovered until after 3 years of operation.

The first 3 years of financial information indicate the fee levels are set correctly at the moment, there was small deficit in the year 1, a small surplus in year 2 and a small surplus in year 3.

The increase in permit income for year 3 was due to the increased level of permit requests from communication companies as the governments drive to improve fast broadband availability starts to take effect in Darlington.

The increase in permit requests naturally increased the operational costs to manage them as shown in the table below, the high levels of inflation over the 3<sup>rd</sup> year have also added to the operational cost. These additional costs have so far been offset by the increase in permit fee income. It is anticipated the level of income will be higher than normal for the next 2 years due to the increased permit requests from the communication companies. Income levels will continue to be monitored, once they start to decrease it may be necessary to increase the permit charges in order to remain cost neutral.

	Operational Costs	Permit Income	Total Surplus/deficit	
Year 1	£162,773.72	£162,623.80	-149.92	-0.09%
Year 2	£176,505.77	£176,552.70	46.93	0.03%
Year 3	£288,251.40	£290,534.80	2,283.40	0.79%
Total to date	£627,530.89	£629,711.30	2,180.41	0.35%

## Recommendations

The 3<sup>rd</sup> year saw a large increase in permit application and variations, up 58% on the 2<sup>nd</sup> year. The increase in permit income enabled the scheme to remain cost neutral despite inflationary pressures on the operational cost. An increase in permit income is expected to last another 2 years whilst the communication companies continue to deliver fast broadband.

The recommendations for the year ahead are:

- Maintain current fee levels for the next year.
- Continue to work closely with works promoters both internal and public utilities to maintain low levels of permit refusals.
- Maintain good levels of collaboration and information sharing with the other North East Highway Authorities.

The evaluation reports will now be carried out and published every 3 years, the income levels will be monitored against operational costs on a yearly basis and adjustments in fees will be recommended as necessary so the permit scheme remains cost neutral on allowable costs.