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Traffic Management Act 2004

Permit Fees Guidance



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Permit Fee Calculation Guidance Notes

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Permit Fee Calculation Guidance Notes

A. General

1. Background

- 1.1 The Traffic Management Act 2004 (TMA) introduced the concept of permits for works and other activities on the street as a tool for local highway authorities to reduce the congestion and disruption caused by those activities. The provision for permits is one of a number of duties and powers in the TMA, all aimed at improving the management of the road network. Part 3 of the Act provides the legislative framework for permit schemes to be operated by highway authorities. The powers in Part 3 are mainly given effect through regulations; *The Traffic Management Permit Scheme(England) Regulations 2007 SI 2007/3372* were made on 28 November 2007 and came into force on 1 April 2008. These regulations fill in further details on the framework and set boundaries for certain aspects of schemes. Permit schemes must comply with the primary legislation and the regulations and local authority schemes must be approved by the Secretary of State.
- 1.2 The Act empowers the Secretary of State to issue guidance to local highway authorities on the preparation of their schemes. Under this power *Traffic Management Act 2004 Statutory Guidance for Permits* was issued on 28 March 2008. This guidance introduces further detail and limits on permit schemes to reflect Government policy. Local highway authorities must have regard to the guidance in preparing their schemes. If they propose to depart from the guidance they must have a good reason for doing so, otherwise it is possible that the scheme will not be approved when submitted to the Secretary of State.
- 1.3 The Department for Transport (DfT) and Highway Authority and Utility Committee (HAUC) have also issued a Code of Practice *Traffic Management Act 2004 Code of Practice for Permits* on 28 March 2008 providing further guidance on setting up and operating permit schemes.

2. Legislation and Policy for Allowable Costs and Fees

- 2.1 In relation to fees the regulations give the powers for authorities to set up schemes in which fees may be charged to statutory undertakers in respect of their street works for, and only for:
 - Permits
 - Applications for Provisional Advance Authorisations (PAA)
 - Variations to a permit or to the conditions attached
- 2.2 The regulations also set a maximum fee for
 - A permit - £240
 - An application (for a PAA) - £105

- A variation to a permit or its conditions - £45

The statutory guidance supplements this by setting maximum fees for each category of works and for a hierarchy of main and minor roads, as below.

Maximum Fee Levels per Provisional Advance Authorisation, Permit and Permit Variation		
	Road Category 0-2 or Traffic Sensitive	Road Category 3-4 and non Traffic Sensitive
Provisional Advance Authorisation	£105	£75
Major Activity	£240	£150
Standard Activity	£130	£75
Minor Activity	£65	£45
Immediate Activity	£60	£40
Permit Variation	£45	£35

Road category refers to the reinstatement category of the street under The new Roads and Street Works Act 1991 (NRSWA)

- 2.3 The TMA states that the Secretary of State must try to ensure that fees payable in connection with a scheme do not exceed such costs as may be prescribed in regulations. The permit regulations state that the income from fees must not exceed the proportion of costs for operating the permit scheme incurred in relation to statutory undertakers. The proportion of costs would include the equivalent proportion of overheads, including work done that does not result in an application or permit, e.g. if discussions take place on proposed activities which are subsequently cancelled before an application is made or permit is issued.
- 2.4 The permit code of practice supplements this by stating that the fee income should only cover the extra costs incurred in relation to statutory undertakers, over and above the costs of carrying out the previous coordination duty under NRSWA.
- 2.5 Although the fee structure implied by the table above provides for higher fees for the activities which are likely to involve more work – i.e. those that are larger or on busier roads – it is not a requirement that fees for individual permits or applications, or categories of permits or applications, should match the additional costs, as defined above. The requirement is that overall fee income should match overall allowable costs.
- 2.6 As far as possible the fees and costs should be matched over the financial year. However, it is recognised that estimating the fee levels will involve

incorporating the effect of various factors that will inevitably have a degree of uncertainty around them. In the event that fees and costs do not match the actual outturn for the year in question, adjustments should be made to fee levels for the subsequent year so that, taking one year with another, fees do not exceed the allowable costs.

- 2.7 In the first year or so of a scheme permit authorities are likely to want to monitor their allowable costs and fee income more frequently than annually. If the initial estimates of fees look likely to cause a significant imbalance between costs and fees, then an early adjustment in fee levels may be warranted. Permit authorities should note that depending on the details of the approved scheme, the scheme may need to be amended to incorporate new fee levels, which would require an application to the Secretary of State

3. Transparency

- 3.1 Authorities should be mindful of the need to explain the derivation of their proposed fee levels when both consulting on their proposed scheme and when making their application to the Secretary of State. The information will be scrutinised by the Department when the application is assessed. This is necessary to fulfil the Secretary of State's duty to try to ensure that fees payable do not exceed the prescribed costs. But the derivation of fee levels is also likely to be of interest to stakeholders at the consultation stage. The use of the spreadsheets shown in this workbook provides a transparent means of estimating the costs of the permit scheme in relation to statutory undertakers, although further explanation of the assumptions at various stages may be necessary.
- 3.2 Authorities will also need to be able to identify the amount of fee collected and costs incurred, year by year, in order to demonstrate that the fee income is not exceeding the allowable costs and, if necessary, make adjustments to fees in subsequent years. Some staff may spend all their time on permits, others only some of the time; some time will be spent dealing with undertakers activities, some will be spent dealing with highway works. Any time recording systems used to derive the cost figures will need to be able to distinguish these allocations of time so that the allowable costs can be properly assessed.

4. Joint permit schemes

- 4.1 Where authorities are planning to operate a joint permit scheme a single set of fee levels must be derived. There will need to be agreement between the authorities involved in the scheme about the time inputs and the cost components, such as salaries, staff on-costs and overheads. The requirement for fee income not to exceed allowable costs will apply to the whole operation across all the authorities involved.

5. Common permit schemes

- 5.1 Where authorities are planning to operate common schemes each scheme has to be treated as a separate scheme in terms of the application process and operation even though the rules to be applied are the same. The

requirement in relation to fees and costs applies to each scheme. Authorities may have different costs and therefore each authority must justify their own fee levels. This does mean that fee levels could be different between different authorities operating a common scheme.

- 5.2 Authorities proposing common schemes can carry out joint consultation on their scheme but each will need to provide separate information on the justification for their fee levels in any application made to the Secretary of State.

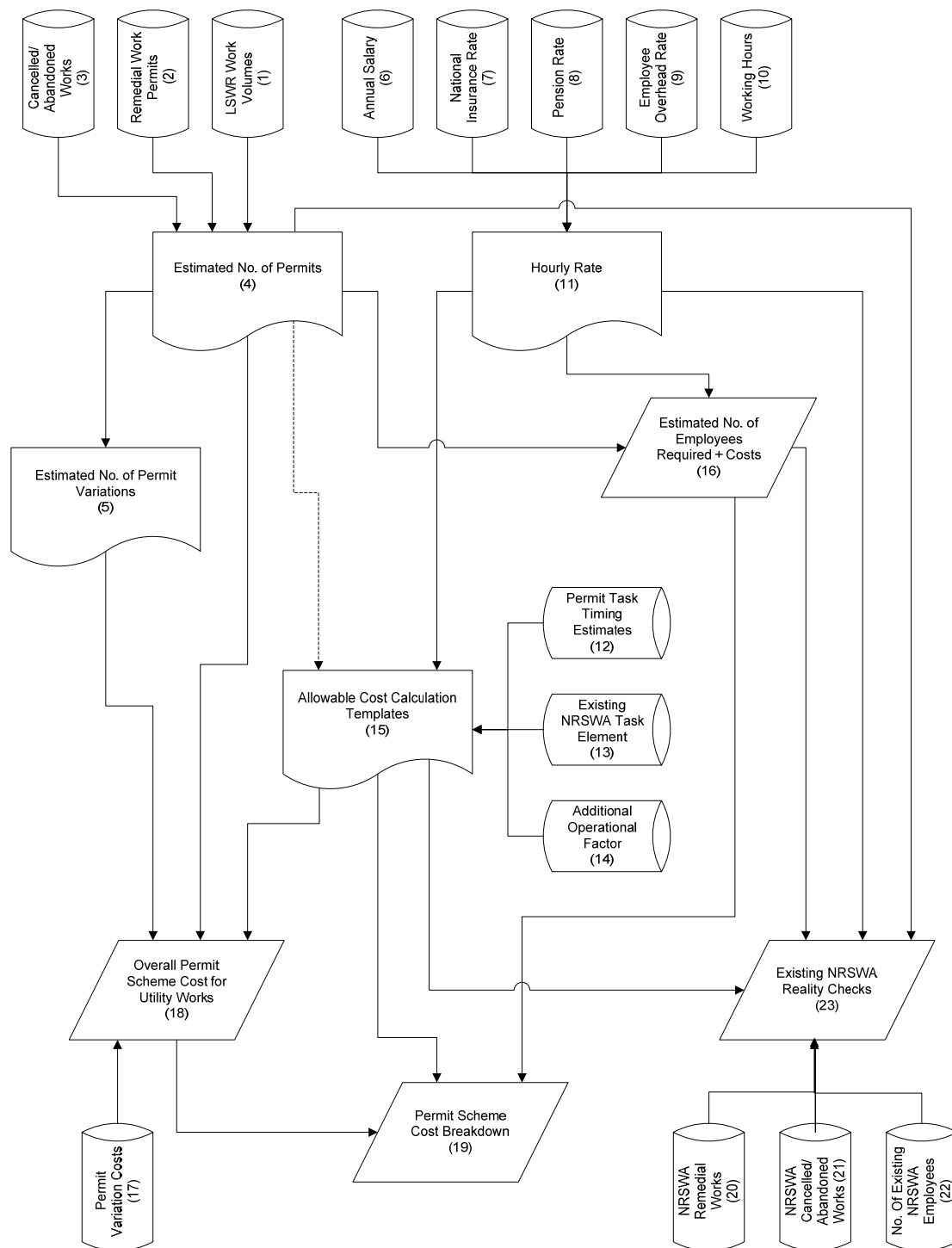
B. Completing Permit Allowable Costs and Fees Tables

6. Introduction

- 6.1 The following tables have been provided to assist with calculating individual permit costs and the overall permit scheme costs in relation to utilities, and hence appropriate permit fees.
- Estimated number of permits by road hierarchy and activity type
 - Estimated number of permit variations by road hierarchy and activity type
 - Hourly rate calculation for each personnel type
 - Allowable cost calculation template for each road hierarchy
 - Calculation for the total number of employees required, together with costs
 - Calculation for the total permit scheme costs
 - Reality check estimating size and cost of existing workforce

Information on how each of the above tables work and guidance for completing them is set out later in this document.

- 6.2 The following diagram provides an overview of how the various calculations work together and the inputs required:

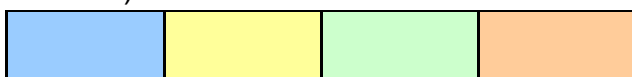


For ease of navigation through the worksheets fields that do not need to be populated have been protected to allow users to sequentially 'tab' to the cells that do require data. This functionality is not password protected and can therefore be switched off should you wish to amend other data within the spreadsheet.

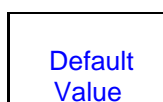
The following cell colour coding definitions apply throughout the document:

Purple	Category 0-2 and TS streets
Pink	Category 3-4 non TS streets
Yellow	Street works officer times/costs etc
Green	Street works co-ordinators times/costs etc
Orange	Traffic manager times/costs etc

(note that differences between printers may cause actual colours when printed to differ.)



Indicates that the cell requires populating.



Indicates that the cell contains a pre-determined default value. These values can be replaced by more precise figures if alternative statistical data is available to substantiate the end output.

Double clicking in a cell that is automatically populated will provide the make up of the formulae specified for that cell and where the source information originates.

7. Estimated Number of Permits (Activity Volumes)

- 7.1 The figures generated from these tables will feed into the calculations for determining the overall permit scheme cost estimate and number of employees that could be required. They will also provide a useful barometer when assessing the times required for each of the tasks identified in the permit fee calculation template as these times are entered as an average (in statistical terms the “mean” (ie the sum of the values (including zeros) of all the items divided by the number of items) for each cell; the total times must to be spread across the total number of permits or PAA applications.
- 7.2 The starting point for the number of undertakers’ permits should be the number of actual street works (statutory undertakers activities only) undertaken for a full financial year. This will need to be extrapolated from the local street works register. If the permit authority considers that the number of works under NRSWA and permits might not be the same, they will need to provide the basis for the numbers entered into the table. These figures will need to be split by works category and then grouped into the two different road hierarchies i.e:
- road category 0, 1 and 2, and any streets in category 3 and 4 that are traffic sensitive at any time; and
 - road category 3 and 4 streets which are not traffic sensitive.

- 7.3 The number of remedial works and cancelled/abandoned works will also need to be established, again by road hierarchy, and then entered into the relevant cells within the table.
- 7.4 The quantities entered read-across to the estimated number of permits table based on the following criteria:
- NRSWA Major Works = PAAs and Major Permit Applications
 - NRSWA Minor Works with Excavation + Minor Works without Excavation = Minor Permit Applications
 - NRSWA Standard Works = Standard Permit Applications
 - NRSWA Emergency Works + Urgent Works + Special Cases of Urgent = Immediate Permit Applications
- 7.5 Figures must be entered for the number of permits required for remedial activities. Authorities should look for information from existing street works data that could provide such an estimate. In the absence of better information the number might be taken as a percentage of the total permits derived from the exercise above and spread proportionately across all activities, other than PAAs which would not be the subject of remedial activities. However, if there is evidence that showed the level of remedial activities was higher or lower for a particular category then the numbers should be entered according.
- 7.6 Figures also need to be entered for works that are cancelled/abandoned before the PAA or permit application is approved. A similar approach could be taken using either a standard proportion across all categories or varying them on the basis of evidence from existing information. It is probable, for example, that a higher percentage of NRSWA minor works are cancelled/abandoned compared to say standard or major works. But it should also be remembered that a higher proportion of NRSWA minor works are likely to be cancelled or abandoned than the categories that make up immediate activities for example. It is recommended that the figures carried across are reduced by at least 50%. The reason for this is that promoters have historically submitted speculative notices for works that in many cases are not actually undertaken. This practice is particularly prevalent under the daily whereabouts notice category. Under a permits regime promoters will be less inclined to submit speculative applications for activities due to the fee attached, hence the reduction.
- 7.7 The spreadsheet contains a default value for phased activities set at 20% of permits or PAAs applied to all categories. This figure is derived from the 'phases per works sector' table within the DfT 3rd annual report on the effectiveness of s74 dated May 2004. The default figure was derived by simply counting the number of multi-phase works, irrespective of how many extra phases they actually had. These figures should be adjusted if alternative statistics are available.
- 7.8 It should be noted that discounts on fees for promoters where they submit applications for all phases of one activity within a 3-day period are not accounted for within the calculations in this workbook.

8. Estimated Number of Permit Variations (Activity Volumes)

- 8.1 The end output from the tables for permit variations will also feed into the calculation to determine the overall scheme cost, although they are not factored into the number of employees table, as there is no separate mechanism in these tables for estimating personnel involvement in the tasks that may be undertaken for a variation. Authorities could, however customise the allowable cost calculation templates described later to derive specific figures for permit variations. (See note in Total Permit Scheme Cost section).
- 8.2 The regulatory impact assessment assumed the proportion of permits that will be subject to a variation as 20% for major permits, 10% for standard ones, and 5% for others. Note that PAAs cannot be varied. If there is evidence to derive more robust figures then those should be used. For example, a comparative source could be the number of overruns recorded – this would indicate the minimum number of variations that could be expected.

9. Hourly Rate Calculation (Personnel)

- 9.1 The figures generated from this table will be conveyed into the two permit allowable cost calculation templates and contribute to providing the estimated costs for the PAA's and each of the permit types. They will also be used to help provide a cost indication for the total cost per employee type, the total cost for all employees and the total permit scheme cost, and used within the reality check that is described later.
- 9.2 For consistency purposes the calculation provided is mostly based on the work already done by the HAUC Inspections Working Party to calculate sample inspection fees.
- 9.3 The fields in the first column that require populating are the annual basic salary for each of the following three employee types identified.
- Street Works Officer
 - Street Works Co-ordinator
 - Traffic Manager
- 9.4 However a highway authority may not have the particular skills contained within one of the above types but may incorporate more than one person to achieve the skills required. On this basis a percentage of each person should be included.
- 9.5 For example, a Street Works Officer may be made up of a combination of the following roles:
- 10% of an Administrative Officer. Salary - £18,500 per annum
 - 70% of a Noticing Assistant. Salary - £20,500 per annum
 - 20% of an Inspector. Salary - £22,000 per annum.

So the salary to be taken for a Street Works Officer = (10% of £18,500) + (70% of £20,500) + (20% of £22,000) = £20,600, and this should be entered into the table.

9.6 Authorities, in preparation for a permit scheme application to the Secretary of State, may have already drafted job descriptions that have been evaluated by their human resources department, thus providing them with accurate annual salaries. Alternatively, current annual salaries will provide a useful base for their calculations.

9.7 The remainder of the columns need to be populated with appropriate values. The derivation of these is likely to involve the authority's finance department, although it is likely that similar figures will be appropriate for all personnel types. The entries are for:

- The National Insurance rate
- Pension contribution (superannuation)
- working hours per annum, allowing for holidays, sickness, training, etc.
- staff overhead rate (i.e. factor to gross salary based cost to total cost)

9.8 The table calculating the total number of employees required does not rely on any manual entry of data as the values are taken from cells elsewhere in the workbooks. Further explanation on how this calculation works is provided later in the document.

10. Allowable Cost Calculation Templates

10.1 These spreadsheets are intended to provide a framework to help authorities to calculate overall and individual costs by working through the following steps:

10.2 Timings:

10.2.1 The two matrices, one for category 0, 1 and 2 streets and traffic sensitive streets and the second for category 3 and 4 streets that are non-traffic sensitive, list the main tasks involved in dealing with a permit or PAA application for statutory undertakers works. Against each of the tasks the mean time for dealing with one permit or application should be entered for each of three types of staff, i.e.

- Street works officer
- Street works coordinator
- Traffic manager

and for each of five categories of permits/applications i.e:

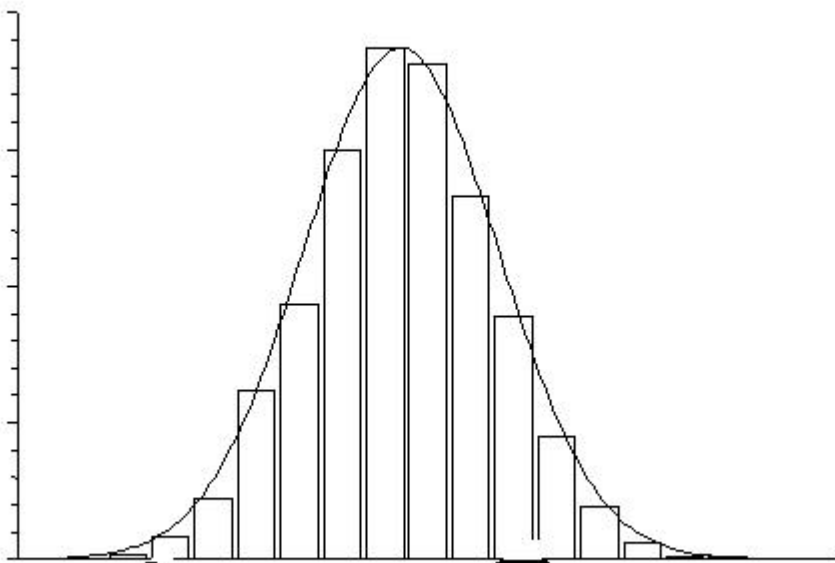
- Provisional Advance Authorisation application
- Major works permit
- Standard works permit
- Minor works permit

- Immediate works permit

10.2.2

Authorities should consider the entries into these cells of the matrix carefully. The times entered should be the mean times across all permits or applications in that category, i.e. total time spent dealing with all cases divided by total number of cases. Points that authorities should especially note are:

- There will inevitably be variations in the times taken in dealing with different permits/applications. Typically this could be distribution of the following shape.



There will be a natural tendency to remember the cases which took a long time but authorities must take into account the time for all the permits or applications in order to produce an estimate of the mean.

- There will be some tasks that only apply to some permits or applications. In these cases the time taken for dealing with the cases where the task does apply should be estimated. This total time must be divided by the total number of cases in the category, and not just those where the task applies, in order to estimate the mean for all permits or applications.
- Times for the different staff should be considered for each task. In general, street works officers will devote most time overall and traffic managers will spend least. But the proportions will vary between tasks and possibly between different activity categories and between road hierarchies. Each combination of task/activity category/road hierarchy must be considered on its own merits.
- Because fees are charged per permit issued but for PAAs the fees are charged per PAA application, the number of cases over which

the time should be averaged is the number of permits for each category of permit and the number of applications for PAAs.

10.2.3 Further guidance is given below on each of the tasks.

10.3 Adjustments:

10.3.1 The policy requirement is that allowable costs for authorities should be costs over and above those incurred by them in fulfilling their coordination duty under NRSWA. The time entered into the cells (as above) is the time taken to carry out the relevant task. Many of the tasks would have been carried out to some extent in carrying out the NRSWA duty. An adjustment needs to be made to take account of this when calculating the allowable costs.

10.3.2 The adjustment is made through the last three columns in the matrix. Authorities should enter here the proportion of time involved in dealing with a permit or application that would have been involved in dealing with that task under the NRSWA duty. For example, if a task would take a street works officer 5 minutes for a permit but would have taken 3 minutes under the NRSWA duty a discount of 60% should be entered into the relevant cell. The time remaining after the discount, in this case 40%, is thus the time to use to calculate the allowable time for the purpose of estimating fee levels.

10.3.3 Given the higher degree of management of activities inherent in operating a permit scheme, it is probable that, in general, less of the traffic manager's input would have been involved in meeting the NRSWA duty. The percentage reduction for traffic managers is therefore likely to be less overall than that for street works officers but each line of the matrix needs to be looked at individually. Likewise - any new TMA tasks will have an adjustment of 0% as they are not currently undertaken within NRSWA.

10.3.4 Discounts are entered as percentages.

11. **Guidance Notes on Individual Permit Tasks**

(in Allowable Cost Calculation Templates)

Task 1: Permit Data Validation Check

11.1.1 The data relating to permits will for the most part arrive through The Electronic Transfer of Notifications (EToN) transmissions, although a few may arrive initially by other means, eg a phone call relating to the start of immediate activities on a particularly sensitive street. Data can arrive as applications for permits or as various types of notice or notification. "Notification" is used in this section in a generic sense to include all non-application communications.

11.1.2 Applications are specifically:

- Applications for Provisional Advanced Authorisations

- Applications for Permits (including applications for immediate activities, even though the activity may have started)
 - Applications for Variations to Permits or to the conditions attached to Permits
- 11.1.3 Notifications include:
- EToN Messages for general correspondence regarding an activity (e.g. responding to a request for further information).
- 11.1.4 In addition, documents such as traffic management drawings, photographs, etc, may be attached to the above XML applications and notifications.
- 11.1.5 It should be noted that the validation of s74, reinstatement and permit cancellation notices are dealt with separately under tasks 20, 21 and 22 respectively.
- 11.1.6 Street and road works management systems should provide automatic data validation and interlocks to ensure, as far as possible, that the correct applications and notices containing the correct information are sent in the correct sequence.
- 11.1.7 Promoter systems should create applications and notifications compliant with the EToN specification and perform basic validation checks. If any errors are detected the system should be configured to prevent the applications and notifications from being sent.
- 11.1.8 Permit authority systems should also perform basic validation checks on the data received for compliance with the EToN specification before the data is loaded into the system or becomes visible to the end user. If an application or notification fails, a rejection response should be returned to the promoter, which may include a specific code to enable identification of the error. If validation is successful then an XML acceptance response should be returned to the promoter's system.
- 11.1.9 However, it is possible that an accepted application could still contain errors, depending on the extent and complexity of the validation-checking functionality provided by the system supplier.
- 11.1.10 Applications and notifications should only be rejected where significant fatal errors are detected that completely invalidate the notification. These errors may arise where mandatory or conditional information is not supplied, or when minimum advance application periods are not provided, or sequencing rules are broken.
- 11.1.11 As the actual validation of the data content and non-acceptance of invalid applications and notifications is largely automated, the input required to deal with this process should be minimal. However, it is inevitable that instances will arise where liaison with the promoter is required to deal with invalid applications and notifications and the knock-on effect of any subsequent data that may be sent whilst the original failure is being resolved. Activities involved in this liaison may include, for example:
- making contact with the promoter to discuss invalid data,
 - requesting a new application or notification,

- seeking an Error Correction Notice from the activity promoter

11.1.12

It is unlikely that every application or notification will be invalid and this needs to be reflected when populating the matrix. The time taken to deal with invalid applications and notifications must be spread across all those received. For example, if it is anticipated that an authority could receive 1000 standard permit applications per year and only 10 were invalid, but it was expected to take a street works officer a total of 20 minutes to deal with each failure. The total time required for a street works officer would be 200 minutes. This time spread across 1000 applications would equate to 0.2 of a minute per application, and this would be the figure inserted into that particular cell of the matrix.

Standard Permit Application			
0.2			

Task 2: Permit Data Content Check

11.2.1

Following successful validation the permit data is loaded into the authority's system. This information should then be reviewed to ensure adequate data has been provided to enable further assessment of the application to proceed. It is anticipated that these checks will require a manual review by the authority, although some software providers may provide additional functionality to highlight certain discrepancies. For instance, a check could be automated to validate if grid references are within a predefined distance of the street gazetteer street centre-line of the elementary street unit (ESU) the promoter has selected.

11.2.2

Typical data content checks will include:

- Assessment of activity descriptions to ensure they are understandable and make sense
- A location description that is clear and unambiguous
- Traffic Management comments
- Road space occupancy details
- Promoter contact details

11.2.3

If EToN compliance checks within a system are limited, or if the application is particularly complicated, it may be necessary to carry out additional compliance checks which might otherwise be automated.

- 11.2.4 Overall the key test in this task is whether the information provided appears to be sufficient to enable a permit authority to understand what is proposed, where and how it will take place. The actual assessment of the impact of the activity and the coordination activity is covered separately, primarily in Task 5. However this Task 2 could include actions necessary to resolve queries, for example:
- If there appeared to be inconsistencies between different pieces of information provided, or
 - If there was ambiguity in some part of the data, or
 - If, as described, the proposal doesn't make sense, or needs further explanation
- 11.2.5 Actions required to resolve these sorts of queries could include telephone calls or emails to the promoter or checks against the street gazetteer. It is to be expected that the greater discipline introduced by permits will improve the quality of information provided, so that the number of applications that need to be followed up in this way could be small. Because only a proportion of applications will require this treatment the derivation of a mean figure for the table needs to be done carefully.

Task 3: Subsisting Substantial Road or Street Work Restrictions

- 11.3.1 The provisions of the New Roads and Street Works Act sections 58 and 58A are modified in permit schemes so that promoters wishing to carry out activities before a restriction period starts have to apply for a permit, and the management of activities before the restriction starts is through the issuing of permits. And any exemptions once the restriction is in place, whether statutory exemptions or discretionary, are dealt with through the normal permit application process.
- 11.3.2 Checks need to be made as to whether the time and location of the activity for which the permit application is being made is affected by a restriction that has been notified or one where the restriction period is in place. The check itself should be relatively straightforward as the information should be held in the local street works register and the IT system may flag that there is a relevant restriction.
- 11.3.3 In the period between a restriction being notified and the restriction being imposed there is likely to be a greater intensity of activities than usual as promoters seek to carry out works before the deadline. There may therefore be more coordination than normal required for activities in this period and possibly different conditions attached. Where applications are made for permits after the restriction is in place, the permit authority must assess whether an exemption is appropriate, either on a statutory or discretionary basis, and decide what conditions would be necessary. It is possible that different conditions would be necessary in a restriction period.
- 11.3.4 The generality of coordination is covered in Task 5. The times and discounts included under Task 3 should relate to the additional work involved in dealing with permits affected by restrictions, including permits which are refused because they are in the restricted period.

- 11.3.5 Only a minority of applications will be affected by restrictions. In calculating the mean times for the matrix, the total time for dealing with this minority must be spread across all permits.

Task 4: Activity Criteria Fits Substantial Street Works Restriction Status

- 11.4.1 Provisions are contained in NRSWA and the Notices Regulations for deciding whether proposed street works fit the criteria for “substantial street works” and thereby open the possibility of using the powers in section 58A of that Act to impose a restriction following those works. The Notices Regulations define substantial street works as “major” street works. These powers continue to operate where a permit scheme is in operation.
- 11.4.2 When a permit application for an activity that is “street works” under NRSWA is made, the permit authority can assess whether the proposed activity meets the “substantial street works” criteria and whether they intend to impose a restriction following that activity. Given the definition of substantial street works this will not be relevant to standard, minor and immediate activities, so those elements of the matrix should have zero time for this task.
- 11.4.3 The actions covered in this Task 4 will be those required to set up the restriction and any additional coordination action over and above what would otherwise be required without that restriction. Since substantial street works defined as major works, this task will only be relevant to the major activity category of permits.
- 11.4.4 The main coordination actions will be covered in Task 5. Actions relating to other permit applications affected by the restriction will be picked up under Task 3.
- 11.4.5 Even within the major street works category it may not be appropriate to impose restrictions after all activities. However, the total time for all actions under this task should be spread across all the permits in the major street works category.

Task 5: Coordination of Proposed Activities

- 11.5.1 The coordination task is broken down into a number of components. Depending on how authorities carry out this work they may wish to make estimates for combinations of components. In going down this path, authorities should make sure that the reductions for the existing Notices regime are properly assessed, as it is possible that percentage reductions could be different for different components.
- 11.5.2 Coordination activity can start before applications are made; indeed the Code of Practice encourages the early registering of activities and early discussions with the permit authority ahead of formal application. This early activity counts when assessing the times for the matrix, since it is work that has to be done at one time or another. Early discussion should make dealing with the application itself quicker.

Task 5a: Site Availability and Work Period Review

- 11.5a.1 This is a key task which involves checking the location and proposed times of the activity in the application to see if there is a conflict with activities for which

a permit has been issued (and which may or may not have started) or for which a permit application has been made. It is possible that IT systems will flag potential conflicts but that may not always be the case, so some form of interrogation of the permit register may be required.

- 11.5a.2 If there is no conflict there might be little else to do under this task, although there could still be actions to take in relation to the tasks below.
- 11.5a.3 If there is a conflict then further action will be required under this Task 5a by the authority to re-time the activity, which would at least require discussion with the promoter to find an alternative date. Finding a new date might require liaison with other promoters depending on the circumstances, for example, if juggling several activities would arrive at a solution that minimised disruption to road users.
- 11.5a.4 If there is work to be done to resolve questions of timing or location (or indeed other matters), then this will need to be actioned promptly. If there is no response to an application sent to a promoter within the periods set out in the Statutory Guidance, the application will be deemed to have been approved and the PAA or permit issued. A “response” includes a refusal to grant the permit or PAA in the terms of the application.

Task 5b: Collaborative Working Assessment

- 11.5b.1 Collaborative working between promoters is encouraged through the fee levels, where discounts are available for collaboration, and more generally through the Code of Practice. If promoters are to take advantage of the discounts their permit applications must be submitted within three days of each other where day 1 is the day the first one is submitted. (So, if the first application is submitted on Monday any others must be submitted by 4.30pm Wednesday.) Authorities will need to check for any applications where the intention for collaboration is flagged and where reducing disruption is the objective of collaboration, thus meeting the criterion for discounted fees. The work involved in carrying out these checks will come under this Task 5b.
- 11.5b.2 Even where promoters do not come forward themselves with collaborative arrangements, there may be opportunities for promoters to work together to minimise disruption. That collaboration could be between undertakers and highway authorities as well as between different undertakers, or it could involve working with Network Rail or British Waterways in appropriate circumstances. At the time that they submit their applications a promoter may not be aware of other activities planned that would be suitable for some form of cooperation. Permit authorities should be on the lookout for such opportunities and where they exist should be proactive in seeking to facilitate collaborative working. The liaison activities that will be necessary to achieve this will also be part of this Task.
- 11.5b.3 In principle, opportunity for collaboration can exist for any application but for many there will be no realistic options and therefore little work will be needed. On the other hand, initiating collaboration and working through with the relevant promoters could involve quite a bit of work. As before, the mean time for this task to enter into the matrix is obtained by spreading the total time for all activities in each category across all permits in that category.

Task 5c: Traffic Management Type Assessment

- 11.5c.1 As part of their application the promoter will have to explain the proposed traffic management arrangements. The permit authority will need to consider the appropriateness of the arrangements. The work involved in doing so will come under this task, as will any follow up activity should the authority consider changes are needed to the arrangements.
- 11.5c.2 Consideration will include whether the proposals meet appropriate safety standards, e.g. complies with the NRSWA Safety Code and/or that a health and safety assessment has been completed, and whether the proposals will minimise delay and inconvenience for road users.
- 11.5c.3 Some situations may require particular consideration from the traffic management perspective. At one end of the spectrum this could be where there are additional security considerations in the vicinity of VIP buildings, airports or military establishments, when additional liaison with the police and others may be necessary. But more common would be where businesses or shopping centres or factories require regular deliveries by large vehicles; here standard traffic management arrangements might need to be modified to accommodate the size of vehicles. Again additional liaison might be required, this time with the businesses affected.
- 11.5c.4 The traffic management arrangements would normally be among the conditions attached to the permit. The actual issuing of the permit is covered below but the discussions and consideration required to reach a conclusion on what those conditions should be is part of this Task 5c.

Task 5d: Impact Assessment by Activity Promoters

- 11.5d.1 Activity promoters will have completed an impact assessment for their activity. What is appropriate by way of assessment will generally depend on the size and complexity of the work involved. Complexity is not only a question of technical content of the work. The size and location of road space occupied will be a critical factor in the impact of activities. A small and simple activity located in the middle of a critical junction on the network can have a significant impact which could require complex traffic management treatment.
- 11.5d.2 Permit authorities should make it clear to promoters in the information about their scheme what sort of information will be required for an impact assessment in different circumstances and if there are circumstances where such an assessment may not be needed. Appendix G of the Code of Practice outlines a methodology for assessing the traffic impact of activities – the Disruption Effect Score - that may be appropriate in some circumstances.
- 11.5d.3 Permit authorities will need to look at the impact assessment and consider whether it has taken into account all the relevant factors, demonstrates convincingly what the impact will be, and shows that appropriate efforts have been made to mitigate the impact of any adverse effects.
- 11.5d.4 In addition to the time taken to review the impact assessment sent by the promoter, the authority may also need to liaise with the promoter to clarify points or seek further information, which will in turn need further review, as part of this Task 5d.

Task 5e: Impact Assessment on Public Transport Operators

- 11.5e.1 Although general traffic impact may be covered in the overall impact assessment, the constraints on public transport, most notably the need to follow fixed routes, means that public transport cannot take the alternative routes open to others to avoid congestion and may therefore be worse affected than other road users. Mitigation measures could include temporary parking restrictions, bus-only access to certain streets, working methods which maintain a route for buses but not for other traffic, relocation of bus stops etc. If buses need to be rerouted then traffic management measures of various sorts, e.g. to prohibit parking, to retime signals, to create priority for buses, could be needed to ensure that a reasonable service can be maintained.
- 11.5e.2 Not all activities will have an effect on public transport but activities on bus or tram routes or activities around stations would clearly fall into the category of “needing to be considered”, even if the impact is then assessed to be small and no mitigation is necessary, so the consideration takes little time.
- 11.5e.3 In addition to activities which are located directly on public transport routes, activities which would cause significant diversion onto a public transport route should also be looked at by promoters and thus covered by this Task 5e. Such diversion could adversely affect public transport operations through extra congestion on the diversion routes, for which mitigating measures similar to those on routes directly affected might be needed.
- 11.5e.4 If proposed activities are likely to have an effect on public transport operations the promoters should have liaised with the operators to consider what measures could be taken to mitigate any adverse impact on public transport. The promoter should have included information on such discussions with their application. The checking of that and any follow up action required by the permit authority, e.g:
- to resolve questions,
 - to obtain further information or, if necessary,
 - to discuss and agree alternative or further measures that would be necessary
 - to adequately mitigate the impact on public transport

Would come within the time spent on Task 5e.

Task 5f: Impact Assessment on All Networks

- 11.5f.1 Local traffic authorities have a network management duty for ensuring (subject to practicability and other responsibilities) for the expeditious movement of traffic, where traffic covers all those using streets to get about. The focus of attention is frequently on the impact of activities on vehicular traffic causing queues and delays. But the impact on all road users needs to be taken into account. For example, there may be specific pedestrian routes or cycle routes affected, or lorry routes or freight deliveries; or there may be more general disruption through occupation of part or all of a footway. There could be special considerations if the activities are close to a school or hospital or other location where there will be concentrations of vulnerable road users.

- 11.5f.2 Some of this is covered in the Safety Code, e.g. in relation to pedestrians and people with disabilities; some is covered by the assessment above vis a vis public transport. But the permit authority will need to satisfy itself that the promoter has made appropriate arrangements and is planning appropriate mitigating action for all users.

- 11.5f.3 In many cases, especially for minor activities, simply following the Safety Code or the Traffic Signs Manual will be sufficient. But even minor activities can have significant impacts on particular road users in certain locations. Some of this may be flagged by IT systems, depending on their functionality.

- 11.5f.4 There may be less obvious networks affected, such as the routes for abnormal loads or the roads designated for salting in winter. The implications of the activities and associated traffic management for these networks may need to be considered, eg if traffic is diverted off a salted route the authority may have to arrange to salt the alternative route in winter conditions.

- 11.5f.5 Time spent by the permit authority checking that these impacts have been suitably covered by the promoter would be included under this Task 5f, along with any time required for follow up action, as for example listed in the bullets under Task 5e.

Task 5g: Impact Assessment on Planned Events, Incidents and Highways Act 1980 Activities (e.g. Skips)

- 11.5g.1 Works by statutory undertakers and authorities need to be coordinated to meet the coordination duty under NRSWA and the network management duty (NMD); but the wider remit of the NMD will also involve looking at the interaction of activities that are the subject of permits with other activities that could affect the operation of the network. Those activities would include (but not exclusively) planned events (eg fairs, markets, sports events), the placing of skips and material and the erection of scaffolding and hoardings on the highway and also unexpected incidents (although there are a limited number of unexpected incidents which would have a duration that would affect permit decisions at the application stage; major flooding could be one example).

- 11.5g.2 Significant events, incidents etc should be registered in the authority's database. There may be other smaller activities which are affected, such as planned traffic surveys, asset condition surveys, even refuse collection, which could be disrupted by the works and where the authority needs to take action to mitigate the effect.

- 11.5g.3 In some of the cases above there may be flexibility in the other events and therefore scope for negotiation; in other cases the events will be fixed and will therefore impose constraints on the permit timings in particular.

- 11.5g.4 Again, IT systems may flag potential interactions with these other, non-works activities but the authority will in any event need to check whether there are any problems that affect the timing or conditions of the permit, and if necessary, liaise with the various parties to reach an appropriate arrangement for the permit. Time spent on this will come under this Task 5g.

Task 5h: Activity Assessed for Appropriateness of Location of New Apparatus

- 11.5h.1 Under the NRSWA Notices regime authorities are able to direct statutory undertakers on the location of their apparatus in certain limited circumstances. The direction power is a negative one, i.e. apparatus cannot be placed in a specific street rather than saying where the apparatus must be placed, and clearly can only apply to new apparatus. There must also be a suitable alternative route for the utility to use to provide the service. The same effect is achieved under the permits regime by refusing a permit if apparatus is proposed to be placed in a circumstance which, under notices, would trigger a direction in relation to location.
- 11.5h.2 Authorities should indicate the roads to which such a restriction on new apparatus will apply so as to avoid, as far as possible, inappropriate applications being made in the first place. IT systems may flag where such restrictions are in place both for the benefit of promoters seeking to avoid such situations and for the permit authority when applications are made on streets where such a restriction does apply. But if this is not done automatically, then a manual check may be necessary.
- 11.5h.3 This Task 5h covers time that the permit authority has to spend in assessing whether the permit application should be refused on these location grounds and, if there is such a problem, the associated liaison with the promoters which is likely to result in a revised application being made. Any discussions involving the authority to this same end, but before the application is made, would count as work towards this task.
- 11.5h.4 There will be a very limited number of permit applications which are affected by this. The total time spent dealing with these must be spread across all permits, category by category, for entering the mean times into the matrix.

Task 6: Compliance of Activity for Streets Subject to Special Control or with Respect to Particular Authorities

- 11.6.1 Activities that take place in certain streets (such as protected streets or streets of special engineering difficulty (SED)) or which affect a bridge or sewer or level crossing are subject to additional requirements under NRSWA which will still apply under permits. There may also be other features of streets not explicitly covered by NRSWA where similar special attention is needed. Promoters should liaise with the relevant authorities to ensure that all the necessary discussions and processes are completed, and where necessary approvals obtained, before the permit application is submitted and should have made it clear in the application that this has been done.
- 11.6.2 The most common form of special control is likely to be traffic sensitivity (TS), where additional requirements may be applied such as constraints on the hours of working.
- 11.6.3 Information on which streets have special controls (and on structures, sewers and level crossings) should be available to all promoters from the ASD sets published on the National Street Gazetteer website. There should be no doubt therefore among promoters as to whether extra processes or requirements are needed for their proposed activities.

- 11.6.4 The same data should allow a degree of automation in flagging to the permit authority when the consideration under this task come into play, eg whether the street is subject to a SED or TS designation. However, if the flag is attached to the USRN, there could still be a need to check whether the special controls apply to the part of the street where the proposed activities will take place. The inclusion of accurate grid references in the applications should expedite this process.
- 11.6.5 For the permit authority, Task 6 will include the time spent checking that any necessary processes have been completed or requirements complied with and dealing with any follow up that is necessary to prompt promoters to fulfil those requirements. These checks would count towards this task whether they take place before or after the permit application is made.

Task 7: Assessment of Duration of Permit Activities

- 11.7.1 The promoter will include in their application a proposed duration by reference to the proposed start and end dates. Whatever duration is arrived at following discussions between the promoter and permit authority, that duration will set the start and end dates of the permit (allowing for some flexibility on starting for activities on minor roads). This is important because working outside those dates constitutes working without a permit and is a criminal offence. The duration on the permit is also the “reasonable period” for the purposes of s74 of NRSWA (charges for over-running).
- 11.7.2 The permit authority must be reasonable in assessing whether the duration is right for the activity. This assessment should include (although this is not a comprehensive list):
- the nature of the activity, e.g. routine or specialised
 - the methodology employed, e.g. which requires set occurring times for some materials
 - constraints imposed by the location, e.g. which limit the options for traffic management
 - conditions to be attached to the permit, e.g. restricting hours of working
- 11.7.3 In essence, the test will be what an efficient promoter could achieve without unnecessary delay or gaps in the work, while still maintaining a good standard of workmanship.
- 11.7.4 If the authority disagrees with the promoter’s proposed duration they will need to go back to the promoter to explain why and discuss it with them. The aim would be to come to an agreement with the promoter; the promoter would then have to resubmit the application or the authority could issue the permit with the new duration.
- 11.7.5 The time involved in carrying out the assessment, including the follow up liaison where the authority does not agree with duration and reconsideration when a further application comes in, will be the basis of the entry into the matrix. The amount of effort involved in doing this will vary from permit to permit depending on complexity and mean times across all permits will need to be calculated for each category of activity.

- 11.7.6 It is possible (and is to be encouraged) that the promoter will discuss with the permit authority, prior to making the application, what a reasonable duration would be. Time spent doing that would count towards this task as well as discussion taking place after the application has been submitted.

Task 8: Assessment of Impact on Existing s50 Works Licensed under NRSWA

- 11.8.1 Activity promoters will not necessarily have information about all the s50 licensees' apparatus. Ideally this should be obtained before the permit application is made. The permit authority may be involved in providing plans to and liaising with the promoter. Chapter 1.5 in *the Code of Practice for Recording of Underground Apparatus in Streets* places this duty on the authority. Time spent fulfilling this duty will come under this task. It is likely only to apply to some permits or PAAs, but the time spent will need to be spread across all cases in each category.

Task 9: Public Consultation/Notification

- 11.9.1 The regulations enable conditions to be attached to permits relating to consultation and publicity about proposed activities with those likely to be affected. Consultation may well take place before a permit is applied for and possibly even before a PAA is applied for, to draw in the views of those likely to be affected by the activity and potentially to modify the way the activity is done to minimise its impact. Publicity will normally be done after the permit is issued to inform people of what is happening and when.
- 11.9.2 Consultation should be a dialogue. If issues are raised in consultation then the promoter should be able to show that they have considered those issues and have taken action where appropriate.
- 11.9.3 The responsibility for consultation (e.g. with residents and businesses, frontagers, police etc) and publicity lies with the activity promoter. However the permit authority may get involved in the process either before or after the application is made, for example:
- discussing with the promoter who to include as consultees
 - discussing with the promoter what form of publicity will be appropriate
 - formulating any conditions in relation to consultation or publicity
 - satisfying themselves that any conditions on a PAA have been met before issuing a permit
 - liaising with the promoter if there are any problems in relation to consultation or publicity
 - putting publicity material on their web site or other information media

This involvement by the authority would be the basis of time under this Task 9 in the matrix.

Task 10: Environmental Considerations

- 11.10.1 The permit authority will need to consider whether there are any environmental issues associated with the proposed activity - those associated with the type of activity, such as noise and dust, and those associated with the

location, such as impacts on sensitive buildings or habitats – that will be pertinent to the decision on the permit or the conditions attached.

11.10.2 This could involve:

- discussion with the promoter about the environmental issues and any mitigating action that might be taken, and the effect such action would have on the programme and way of working. The earlier this discussion takes place the better, so that the best overall balance between minimising the environmental impact and the impact on road users can be achieved
- discussion with the Environmental Health Officer in relation to any constraints on ways of working, e.g. on hours of working in residential areas
- discussion with other interested parties e.g. with the Council's tree officer if there are works planned near to significant trees

11.10.3 The range of other parties involved and the amount of effort involved in this Task 10 could be wide – from almost nothing upwards - depending on the circumstances of each activity. But a mean time, calculated over all permits must be calculated for the matrix.

Task 11: Promoter Generated Telephone Call or Contact

11.11.1 Several of the preceding tasks have included contact with the promoter initiated by the permit authority. However there may be other contacts initiated by the promoter and not covered by one of the other tasks. These might include telephone calls or emails regarding the progress of their application, or to see whether there is the possibility of an early start before they submit their application, or to provide further information which they think will be helpful to the authority in deciding the application.

11.11.2 A mean time per application for dealing with such contacts should be included in the matrix, taking care not to double count where such queries are part of other tasks.

Task 12: Strategic Project Planning Assessment

11.12.1 This is essentially for large projects, such as area-wide mains replacement, where an overall strategy needs to be developed between the promoter and the permit authority. This is most likely to take place before any permit, or even PAA, application has been made. It could involve:

- meetings with the promoters and other stakeholders to obtain information and consider options
- feedback from local HAUC coordination meetings, from road user forums and from community forums. While the forums themselves are not part of the permit scheme, the input from them may well inform the decisions on the strategy
- consideration of the assessment of impacts and benefits of different strategies

11.12.2 There will be relatively few of these large projects and associated strategic assessments. Each such assessment will probably cover a series of individual permits. In calculating the time to enter into the matrix for this task, the total time

for these few (albeit significant) assessments should be spread across all permits in the category.

Task 13: Controlled Parking Assessment

- 11.13.1 Promoters should identify what (if any) parking bays need to be suspended to enable the activities to be carried out safely and with disruption to road users minimised. There may need to be discussions with the permit authority, either before a permit or PAA application is made or afterwards, about what changes need to be made. The conditions to be attached to a permit may also affect the way that the work is carried out, which in turn can affect the changes to parking that need to be made.
- 11.13.2 Typical examples of situations where parking bays need to be suspended could include when space is needed in a bay for the activity themselves, for working space, for the safety zone or for storing materials. But it may also be necessary to suspend parking in order to open up more carriageway for traffic passing the activity or in order to provide a route for pedestrians, i.e. to offset the loss of road or footway caused by the activity.
- 11.13.3 Provision for suspending a parking bay (e.g. by signs or bags over a meter) will usually written into the order for that bay. If so, a temporary traffic regulation order (TTRO) or notice is not needed. However, if such a provision is not in the order for the bay then a TTRO or notice may be needed.
- 11.13.4 Permit authorities will need to make an assessment of whether appropriate plans have been made. This could include:
- discussing with the promoter what changes are necessary to the parking arrangements. Ideally this should be done before the permit application is made but if that does not happen then discussion could be necessary after the application has been submitted
 - checking that the permit application contains the necessary information in relation to proposed parking changes and assessing (if not already agreed by prior discussion) whether those changes will enable the works to be carried out safely but with minimum disruption
 - checking that the relevant information has been passed to those responsible for parking on the roads affected so that they can take the necessary action at the appropriate time

Task 14 Temporary Traffic Restrictions (Road Traffic Regulation Act 1984)

- 11.14.1 Amendments may be needed to waiting and loading restrictions (yellow or red lines) to make temporary arrangements for parking or loading where the normal provision is affected by the activity. Or temporary parking restrictions may be needed to prevent parked cars obstructing the movement of vehicles or pedestrians.
- 11.14.2 Changes to other aspects of traffic regulation may be necessary to accommodate the activity and to minimise the disruption to traffic. Those changes could include the introduction of temporary road closures, banned turns, one way streets or bus lanes, or on the other hand, the suspension of traffic regulation orders such as for bus lanes.

- 11.14.3 With larger activities the traffic effects can be quite widespread and the temporary traffic arrangements may need to be correspondingly extensive. They may need to change during the course of the activity. Close liaison with the permit authority will be essential in such circumstances. Even with smaller activities the traffic effects can be very significant and proper consideration needs to be given to appropriate traffic arrangements by way of mitigation.
- 11.14.4 Promoters should be aware of the need to allow sufficient time for the authority to deal with the formal processes where temporary traffic regulation notices or orders are required.
- 11.14.5 Permit authorities will need to make an assessment of whether appropriate plans have been made. This could include:
- discussing with the promoter what changes are necessary to the normal traffic arrangements and associated traffic regulation orders. Ideally this should be done before the permit application is made but if this does not happen then discussion could be necessary after the application has been submitted
 - checking that the permit application contains the necessary information in relation to proposed traffic changes and associated TROs, and assessing (if not already agreed by prior discussion) whether those changes will enable the works to be carried out safely but with minimum disruption.
 - checking that the relevant information has been passed to those responsible for processing TTROs or notices on the roads affected, so that the orders/notices will be ready at the appropriate time.
- 11.14.6 There are separate provisions which provide for the recovery of their reasonable costs for processing of any TTROs or notices. These costs should not be included within the permit cost calculations.

Task 15: Portable Light Signals

- 11.15.1 If the traffic management arrangements require the use of portable traffic signals, then there may be circumstances in which the explicit approval on the permit authority is required.
- 11.15.2 As part of this Task 15 the permit authority will need to check whether such circumstances apply and that the necessary processes have been completed. This will be required on only a minority of works so the time spent of dealing with this minority will need to be spread across all works in the category, when estimating the time to enter into the matrix.

Task 16: Detailed Traffic Management Assessment

- 11.16.1 While all activities will require an assessment of the type of traffic management proposed, as in Task 5c, some activities will require more detailed attention and particularly more work by the authority if the adverse impact on road users is expected to be significant. More detailed information or proposals may be required of the promoter and the permit authority will have to assess whether the information or proposals are sufficient to minimise the disruption from the activities, before a decision on the permit is taken.

- 11.16.2 Work on this assessment for this Task 16 could include:
- scrutiny of site plans and working methods, some of which might feed through into conditions to be attached to the permit
 - consultation with traffic specialists in the authority and/or the police about the proposed arrangements if these are complex or unusual, eg they require the rephrasing of traffic signals
 - discussion with the promoters about possible alternatives that would be less disruptive
- 11.16.3 Assessment of this detail will be required for a small number of activities overall but it could be a higher proportion of major activities. Total time will need to be spread across all permits or PAA applications in the category.

Task 17 Activity Specific Co-ordination Meeting

- 11.17.1 While minor and immediate activities are on timescales that would not normally bring them into the frame for regular co-ordination meetings, all major activities and many standard activities should be discussed at these meetings in order to minimise the collective impact of all the activities involved. In some circumstances a specific coordination meeting may be required, e.g. for especially complex activities involving more than one promoter, or where there are particular issues in relation to the timing of activities, such as a major festival in the vicinity, or if there are special constraints such as noise limits that will affect the way and time of working.
- 11.17.2 Such a meeting could also cover the traffic management proposals and methods of working. Meetings like this could take place before the permit application is submitted or afterwards. Work for this Task 17 could include:
- making arrangements for the meeting which could include not only more than one promoter but also – depending on the situation - other bodies such as the police and emergency services, public transport operators, environmental health officer, conservation officer etc
 - attending the meeting and recording the decisions
 - taking forward follow-up actions, which might be subsequent discussions with colleagues or collating and assessing further information from the promoter
- 11.17.3 While this will mostly be a feature of the larger activities, it could well apply occasionally for minor and even immediate activities. In the latter case there might be a need for a meeting to discuss how the activities are to be handled once the immediate emergency has been dealt with.

Task 18: Site Visit

- 11.18.1 For some activities it will be necessary for the permit authority to carry out a site visit to assess the impact of the activity and the requirements for conditions to be attached to the permit. While much information can be conveyed by means of plans, photos and descriptions, that does not always give the full picture and especially the context in which the activity is planned to take place. A site visit can help the permit authority understand the nature of the activity and its likely impact.

- 11.18.2 Such visits will not necessarily be only for activities which are complex in themselves; some activities may be technically straightforward and not require much coordination with other activities, but because of the sensitive environment in which they are being carried out, or because of special local circumstances, they warrant a site visit before the conditions are decided and a permit issued.
- 11.18.3 The site visit may involve other people, including the promoter, so that questions can be easily dealt with and options can be discussed.
- 11.18.4 Work involved in this Task 18 could include:
- arranging the meeting if others are involved
 - attending the meeting and recording the decisions taken
 - following up after the meeting, as necessary, with questions, actions etc

Task 19: Permit Decision and Attached Conditions

- 11.19.1 All the preceding tasks associated with an application for a permit or a PAA are leading up to the decision to issue the permit or PAA and what conditions to attach, or to refuse the application. This Task 19 covers:
- drawing together, where necessary, the conclusion of these preceding processes
 - taking the decision on the permit and conditions and, if approved,
 - issuing the permit
 - copying the permit to all parties who have expressed an interest in the section of the street in question
- 11.19.2 It is possible that the decision on the PAA or permit and conditions has been taken in the course of the preceding tasks. This will usually be so in straightforward cases and may often be the position with other cases where discussions have led to an agreed way of carrying out the work. There may be other examples, however, where various factors from the preceding tasks have to be brought together to reach a decision on the PAA or permit. That process may itself involve further discussion especially with the promoter, but possibly with others too, in taking the decision. It is also possible that if the promoter is unhappy with the permit dates or conditions they may want to have further discussion with the permit authority.
- 11.19.2 It is anticipated that the ETOn systems will generate the permits and send them to the relevant parties, including, for example, other authorities that have registered an interest in a particular street. The permits should, however, be checked before they are sent, especially if they are in any way complicated. That checking would be part of this Task 19.
- 11.19.3 If the decision is to refuse the PAA or permit, then the reason for refusal must be given to the promoter. That may prompt a further round of discussions/information and a further application before a PAA or permit is issued. A different approach to completing the matrix is required for these subsequent activities depending whether it is a PAA or permit. This is because the fees are charged for applications in relation to PAAs and charged for permits issued in relation to permits themselves.

- 11.19.4 To deal with the permits first: if the permit is initially refused and then, after subsequent discussion, exchanges and new application, a permit is granted, then the authority's activity between the initial refusal and the later granting of the permit can be included as part of this Task 19 (That is providing there is no double counting if a previous task has to be redone; either the time is included here or under the redone task but not both.) Authorities will need to estimate the number of likely refusals and the additional work in dealing with them in order to estimate the total time for dealing with all applications and hence the average time per permit, when spread across all permits issued, to put into the matrix.
- 11.19.5 For the PAA applications, the regulations provide that each application can be subject to a fee. In this case, where a PAA is refused and subsequently, after appropriate discussion etc a new application is made, the time for dealing with each application needs to be totalled and spread over all of the applications to produce the average and entered into the matrix. Allowance may need to be made if less time will be spent dealing with resubmitted PAA applications following a refusal, taking account of the likely proportion of such refusals.
- 11.19.6 It is possible that authorities may design their schemes to charge a fee only for successful PAA applications. In that case, the treatment of times to enter into the matrix for PAAs would be as for permits.
- 11.19.7 As with issued permits, while the EToN systems will provide the mechanism for sending the information, refusals will need to be checked to ensure that they convey the correct reasons for the refusal. That checking will be part of this Task 19.

Task 20: Activity Start and Finish Checks

- 11.20.1 The regulations allow conditions attached to permits to include reporting on the progress of activities. It is expected that all permit authorities will chose to use such conditions. It is also anticipated that authorities will use the s74 notices for the actual start and finish of the activities as the mechanism (or at least part of the mechanism) for reporting on progress.
- 11.20.2 This Task 20 involves checking the information on the start of works and works clear/works closed notices. There are two elements to this: validation of the notice data and then checking the content.
- 11.20.3 Validation of the data against the technical specification, for example that data is in the appropriate range is likely to be largely automated in the EToN systems with limited manual input. But there may be some checking needed and if the authority has different or additional requirements then this may involve further work for the authority.
- 11.20.4 The information in the notice then needs to be checked to see that it makes sense and is consistent with the relevant permit and its conditions. Key checks will be whether the dates are within the validity of the permit, bearing in mind that:
- on major roads the start and end of an activity should match the start and end dates of the permit. Work cannot start earlier; and if work is going to start later than the permit start date, the promoter should have informed the authority beforehand. Even if an activity does start after the permit start date, the end date will not be changed. However, if the promoter

accelerated their programme the activity could finish before the permit end date.

- on minor roads there is a window during which the activity may start built into the permit validity. But the duration is fixed so that once the activity has started within the window, the end date of the activity is fixed, although again the activity could finish early before that date.

11.20.5 It is likely that some of these time checks will be carried out by the EToN systems. The outcome of these checks may prompt enquiries with the promoter so that the authority can be confident that the notice provides a reliable record of the start and finish of the activity and that everything is in accord with the permit and conditions. This will provide the basis for calculating the duration of the activity, so will be important not just for s74. Since duration will be part of the permit conditions, the start and end dates will also be the basis on which decisions may be taken on FPNs for breaching conditions if the work goes on too long. In view of these latter implications, the checks may well be more thorough than for s74 alone.

11.20.6 All permits will generate start and end of works notices unless they are cancelled before work has started.

11.20.7 Apart from questions of time, there may be other checks. For example, following the works clear/closed notice, whether the appropriate reinstatement has been carried out.

Task 21: Reinstatement notices check

11.21.1 Reinstatements must be registered on completion of the activity so that the clock for the guarantee period for street works reinstatements can be started and that reinstatements are logged for potential sample inspections. NRSWA code of practice sets out the requirements for registering reinstatements.

11.21.2 There are two stages to this task, validation of the notice data and then checking the content. As with the previous task, the data validation checks are likely to be largely automated in the EToN systems with limited manual input. The authority will then need to check that the information provided makes sense and is consistent with the relevant permit and its conditions, for example whether the right type of reinstatement – interim or permanent – has been carried out. The authority may need to contact the promoter if there are questions about the notice or clarification needed, and there may be other follow up activities required.

Task 22: Activity cancellation

11.22.1 In a small number of cases activities may be cancelled after the permit has been issued, e.g. if a customer has cancelled an order for a connection. This could happen before activities start or after.

11.22.2 Depending when the cancellation occurs this might involve only a little work or it might involve more. The promoter will send a cancellation notice. The EToN systems are expected to deal with much of what is required in terms of registering the cancellation.

11.22.3 However, there may be consequential actions needed. For example:

- a site inspection may be needed to see that no unauthorised activities have taken place
- special arrangements for parking suspension or bus re-routing or temporary traffic orders may need to be cancelled;
- affected stakeholders may need to be notified; or
- the cancellation may open up new possibilities that lead to reconsideration of current coordination options.

These and other follow up actions will count as actions under this Task 22.

- 11.22.4 As only a proportion of permits are expected to be cancelled, the total time spent on the consequences of all those cancelled permits, must be averaged across all permits in the category to derive the mean time to enter into the matrix.
- 11.22.5 This task does not include the time spent on activities that never get as far as a PAA or permit but are then cancelled or abandoned. There could, for example, be early discussions about a project that is cancelled before any PAA application is made or a permit is issued. The time and cost the authority spends on this is legitimately time spent on operating the permit scheme and therefore potentially recoverable from permit fees as allowable costs. But in this case the costs should be input the calculations via the “additional operational factors” or overheads (see section below).
- 11.22.6 A proportion of permits may be cancelled/revoked by the authority because of breaches to the conditions attached to the permit. The costs of dealing with these permits should be input to the fee calculations via the overheads. Other permits may be revoked by the authority for reasons outside of their control. If the costs associated with doing this are a necessary part of operating the permit scheme and they would not have been incurred under the NRSWA coordination duty then they would be allowable costs. Again these should be entered into calculations via the overheads.

Task 23: Informal Dispute Resolution

- 11.23.1 The permits code of practice contains several formal dispute resolution processes involving third parties where there are unresolved disagreements between promoters and authorities. However, the Code also encourages the resolution of disputes by the promoters and authorities themselves, informally, rather than invoking the formal option. This Task 23 covers the time spent in this local informal dispute resolution (IDR) process.
- 11.23.2 Only a small proportion of permits will go to IDR but for those there will be time spent by the authority in, for example:
- discussion with the promoter to establish the basis of the disagreement, identifying areas where there is agreement so focussing on the key concerns
 - assembling information or preparing material relevant to the issues
 - attending any hearing or meeting
- 11.23.3 The total time spent on this Task 23 for all affected permits will need to be spread across all the permits in the category.

Task 24: Enquiries and Complaints

- 11.24.1 It is inevitable that there will be enquiries and complaints associated with the permit scheme. For example:
- potential promoters may want to find out about the permit scheme
 - promoters may have general issues about the scheme which they raise with the authority
 - members of the public, businesses, organisations etc may have queries about particular permits such as what conditions are attached or they may be complaining that conditions are not being met
- 11.24.2 Some of this should be covered by information that will be available on the authority's web site but the more interactive enquiries and complaints will need to be dealt with by staff either through telephone or email (even if the action is to refer the person to the promoter) or sometimes with meetings.
- 11.24.3 Estimating the overall time to be spent on this may be a more effective way to derive a mean time for the matrix, rather than working from individual permits upwards and here will be a mix of general and specific questions and great variation from one case to another. Past experience may suggest which types of works are more likely to generate queries and this should be built into the estimating process as the focus here is only on undertakers activities. Whichever way the estimate is done, the total time needs to be spread across all the permits in the relevant categories.

12. Additional Operational Factors

(in Allowable Cost Calculation Templates)

The preceding tasks are ones associated with individual permit and PAA applications and times and costs for each are calculated as the mean per permit or application. However there are other general tasks, i.e. not linked to individual applications, necessary for the operation of a permit scheme, the costs of which need to be taken into account. These costs are incorporated into the allowable cost calculations by means of "additional operational factors" applied to the permit-specific costs estimated for each category of permit or PAA. Those permit-specific costs have been adjusted for the notice regime deduction so that they represent costs over and above the equivalent costs under the previous NRSWA duty.

The spreadsheet enables the additional operational factors to be varied for different categories of permits or PAAs, if appropriate. There is no single way of deriving those factors. They could be based on a percentage of time or of costs. If using times, care will be needed since times in the spreadsheet are calculated for the three personnel groups, which may not read across to the functions involved in each of the additional operational factors; if they do not read across then adjustments would need to be made for this.

Since there will be equal treatment for applications for both utility and highway activities (with one exception), where additional operational factors are applied as a percentage, a factor derived for the whole permit operation can be

applied to the utility works that are subject to fees. The exception is the charging of fees for utility activities. In that case the factor for invoicing should be estimated as a percentage of the utilities share of the overall costs of operating the scheme, prior to the application of the additional operational factors.

Where start up costs are involved, in addition to ongoing operating costs, the initial costs should be spread over a number of years. Authorities should seek advice from their finance departments on appropriate time periods.

There are five additional operational factors, as described below

A Production of Key Performance Indicators (KPIs)

- 12.5A.1 The statutory guidance requires measurement of the following two KPIs listed in the Code of Practice as a means of demonstrating equal treatment for utility and highway activities:
- the proportion of un-withdrawn permit applications and permit variation applications granted and refused; and
 - the proportions of different types of conditions attached to permits.
- 12.5A.2 The statutory guidance also requires at least two of the other KPIs listed in the Code to be measured. Authorities may develop their own KPIs; these should be specified in their scheme.
- 12.5A.3 The KPIs in the Code have been defined in ways that should make it easy to download statistics and reports from the permit IT systems. Little time should therefore be required for that part of the process. But there will be time needed to understand and interpret the results and possibly to check and clarify points, which would be included within this factor.

B Invoicing Costs

- 12.5B.1 Although fees are associated with individual permits or PAA applications, it is expected that the invoicing for these fees will be done by grouping fees due on a monthly or quarterly basis, as with s74 or inspections fees under NRSWA; hence the inclusion of invoicing costs as an additional operational factor rather than in the tasks above.
- 12.5B.2 This factor would include the costs not only of producing and issuing the invoices but also of following up queries and chasing up payments where necessary.

C IT Software and Hardware Costs

- 12.5C.1 IT systems will be at the core of permit schemes. It is probable that these will be based on EToN systems for notices but there may be costs associated with operating permit schemes, both one off costs in setting up the systems – which could include, for example, hardware,

software licences and training - and ongoing operational and maintenance costs.

- 12.5C.2 Deductions must be made for any part of the systems that are used for other purposes so that the costs represent the additional costs of IT systems necessary to operate a permit scheme.

D Unauthorised and Abandoned Activities and Other Unallocated Costs

- 12.5D.1 If activities are carried out without a permit or in breach of permit conditions then the authority may need to take action to stop these, for example using the powers in regulation 18. Such unauthorised activities would be offences under regulations 19 or 20 and can be subject to either court proceedings or a FPN. Income received as FPNs can be used to cover the costs of the FPN process and the costs of that process should not, therefore, be included here. But there will be other actions involved for the authority eg under regulation 18 or in identifying and liaising with the promoter and perhaps with other parties as well, that would be included under this factor.
- 12.5D.2 Some planned activities may be abandoned before they get as far as an application for permit or PAA. The authority could have spent time and cost in coordination actions or in discussion with the promoter about the activity that thus ends up being abortive. These are nevertheless part of the costs of operating a permit scheme and are included under this factor.
- 12.5D.3 There are also circumstances in the operation of a permit scheme where fees are not charged. This may be where the scheme uses reductions (or waiving) of fees to promote certain behaviour that will benefit the management and coordination of activities. The permit authority will still be doing some work to operate the scheme in those circumstances and to the extent that this is over and above what would have been required under the NRSWA coordination duty, this would count towards allowable costs. In including these costs in the overheads permits authorities should be satisfied that this does not have a significantly different effect on different promoters. As in all of their decisions, permit authorities must act reasonably.

E Management and Monitoring

- 12.5E.1 There will be a management overhead for permit schemes as for any function within an organisation. As well as general tasks such as overall supervision, handling generic queries about the scheme, internal reporting processes etc, there are specific requirements in the regulations and statutory guidance for authorities to meet; including:
- monitoring against the objectives set out in the application to the Secretary of State to run a permit scheme

- carrying out analysis and reporting to demonstrate that the fee income has not exceeded the allowable costs and adjusting the fee structure as necessary for subsequent years.

These would be included in this factor.

13. Total Employees Required (Personnel)

- 13.1 This table estimates the total number of employees that may be required to process PAAs and permits for utility activities. It splits the numbers by road hierarchy, employee type, plus PAA and permit type. There are no values that need to be entered as it takes these from elsewhere in the workbook.
- 13.2 The hours per permit is taken from the allowable cost matrices; the total permits from the activity volume tables; the total hours being a multiplication of the aforementioned values; the number of posts is derived by multiplying the hours per permit by the total number of permits and then this figure is divided by the annual working hours for that employee type; and the employee costs are generated by multiplying the total hours by the hourly rate for that employee.
- 13.3 The figures calculated are totalled and provided in a table that summarises the total number of employees that may be required together with associated costs, with the later figure carried across to the permit scheme breakdown costs table.
- 13.4 It should be noted that the employee costs do not incorporate operational factors (see allowable cost matrix templates) or any resource required for permit variations.

14. Total Permit Scheme Cost

- 14.1 These tables provide an indication of the total permit scheme cost that a permit authority can expect to incur for processing applications and permits for utility activities only. The figures are split by the two different road hierarchy tables and then summarised.
- 14.2 The costs for permit variations have to be entered into this table as those are not calculated separately by the preceding tables. Authorities will have to estimate what that cost would be either for activity categories together or separately. Authorities could use a customised version of the permit allowable costs calculation templates to do this. It would allow for costs to be estimated based on the mean time expected for each of the tasks required to process a permit variation. It is probable that in many cases quite a few of the tasks might not apply, as the most common variation is likely to be in relation to timings. The same principle for calculating means to enter into the matrix will apply, i.e. totalling all the times and spreading them in this case, across all the variations (not all the permits).
- 14.3 Note that PAAs are not allowed to be varied.

- 14.4 The total cost for each of the permit activity types incorporates costs for permits plus permit variations.

15. Permit Scheme Cost Breakdown

- 15.1 Headline figures are provided for the main components that make up the final permit scheme cost for processing utility applications and permits. These are essentially split out to provide employee and additional operational factor costs.
- 15.2 The permit application employee costs is taken from the personnel workbook. As there is no specific workbook to establish permit variation employee costs in isolation, this figure has been determined by taking the overall cost for processing permit variation applications (established from the total scheme cost tables, i.e. by multiplying the number of variations by their respective costs and then adding all the values together for each variation). The operational factor costs (as calculated below) are then deducted from the overall costs leaving the employee costs for processing permit variation applications.
- 15.3 The additional operational factor for each cost type is calculated by extracting the average additional operational factor percentage (determined in the allowable cost matrices) for each of the road hierarchies from the employee cost figures.
- 15.4 As stated previously, this tool focuses on establishing costs for processing utility PAA applications and permits only. Costs for handling PAAs and permit applications for an authority's own activities will need to be determined separately.
- 15.5 The various spreadsheets allow the costs for different categories to be calculated. Authorities may wish to round the figures, or perhaps simplify the fee structure or adapt it to the specific proposals in their scheme.

16. Reality Checks

- 16.1 A total NRSWA employees back calculation reality check is provided to give a first order check of the inputs into the matrices by estimating the level and cost of existing resource implied by those inputs for dealing with current NRSWA obligations for notified works. It is accepted that the full street works team in position will be fulfilling other duties that have not necessarily been covered by the tasks identified within the allowable cost matrices, such as compliance inspections, processing s50 applications and street works charges, etc. Nor may the current co-ordination duty across all work categories be as intensive as those required under a permits regime. Indeed, daily whereabouts notices give little or no opportunity to co-ordinate. Nevertheless, this check will provide a broad indication if the values being entered into the spreadsheets are realistic or require adjustment.
- 16.2 The check essentially deducts the actual permit times calculated from the allowable cost matrices away from the total task times, thus leaving the

proportion of time assumed for current NRSWA activity. (In practice this is derived through the percentage discounts for the existing NRSWA duty entered into the allowable cost matrices for each of the individual task.). Estimated times for dealing with remedial and cancelled works will need to be entered into the spreadsheet to provide a more accurate indication. Similar to the allowable cost templates these will need to be mean times. The timings are subsequently converted to monetary values using the employee hourly rate calculations and the figures are fed into the total employees required spreadsheet to give an end estimate of employee numbers and cost. As with the permit volume calculations, the final figures also include an allowance for handling phased works (see section 7.7 above).

- 16.3 Two supporting calculations are provided to highlight any variations between the number of employees required to operate a permit scheme. Calculation 1 determines the additional number of employees required to operate a permit scheme by deducting the number of existing NRSWA employees generated by the back calculation, from the number of employees required to operate a permit scheme. The latter figure is taken from the personnel spreadsheet. The difference between these two figures is also expressed as a percentage.

Calculation 2 requires the entry of the number of existing personnel currently employed to undertake the existing NRSWA activities covered by the allowable cost calculation templates, i.e. excluding personnel involved with compliance inspections and alike. The percentage difference determined by calculation 1 is applied to the number of employees actually specified – thus providing a comparison/reality check between the numbers of staff required to operate a permit scheme.

The final line shows the deviation from the total number of employees required under calculation 2. Ideally the deviation should be as close to '0' as possible. Any excessively high deviations may warrant a reassessment of the numbers entered into the allowable cost matrices.