

Written evidence submitted by the Department for Transport (MIS0064)

Introduction and summary

1. The Department for Transport (DfT) welcomes the Committee's inquiry into the impact of street works. The DfT is responsible for the legislation and regulatory framework covering utility street and highway authority (HA) road works in England. We issue statutory and other guidance and manage the [Street Manager](#) digital service for planning and managing works that is used by all utility companies and HAs in England. See Annex A for a list of the key legislation and relevant guidance.
2. HAs, which include National Highways and Transport for London (TfL), are responsible for managing their road networks in line with their various duties, notably the duty to manage the expeditious movement of traffic, which includes cyclists and pedestrians, set out in section 16 of the Traffic Management Act 2004 (the TMA). Almost every HA operates a permit scheme for utility street and HA road works. Permit schemes were introduced by the TMA, and mean permits for planned works must be applied for and granted via the DfT's Street Manager service in advance of works being carried out. Permits for emergency/unplanned works must be submitted within two hours of works beginning on site. We stream in real time open data on planned and live works, including actual works start and stop times, for anyone to take and use in apps, satnavs, etc.
3. Street works are carried out by utility companies (water, gas, telecommunications and electricity) to install new equipment or to maintain it. Utility companies have statutory rights to access the public road network to carry out their works, and relevant regulators set target completion times for, for example, customer connections and repairs. Utility companies are often commonly referred to as statutory undertakers and are responsible for around two-thirds of all works carried out (see below for key facts and figures).
4. HAs carry out their own road works (or 'works for road purposes') to, for example, repair potholes or install traffic management equipment, bus lanes, etc. Around one-third of all works are HA works. Other street works are carried out under licences issued under section 50 of the New Roads

and Street Works Act 1991, for example by private developers, those installing EV chargepoints and by HS2.

5. The main primary legislation covering works is the New Road and Street Works Act 1991 (NRSWA). This sets out a range of requirements for how utility street works should be carried out, including those relating to safety, quality of reinstatements following works, and reporting. NRSWA gives HAs powers to inspect works to check for compliance with standards, to issue various fines and penalties, and to issue charges for overrunning works. Some NRSWA requirements apply to HA road works, such as safety, but not all of them do. For example, reinstatement standards, inspections and qualifications requirements only apply to utility street works. Utility companies have a duty to co-operate with HAs and HAs have a duty to co-ordinate works under NRSWA.
6. The regulations¹ relating to permit schemes and associated statutory guidance apply both to utility and HA works, as the permit regime is based on the parity principle. HA works are not, however, subject to financial fines and penalties. The roll-out of permit schemes has taken time but, due to DfT efforts over the last five years, there is now only one local HA still to introduce one and they are currently making plans to do so. National Highways has, to date, chosen not to use permits as they have their own road booking system for works on the strategic road network.
7. Regulations and statutory guidance (see Annex A) set out a range of requirements for how works should be carried out. Works are defined as
 - minor (durations of 3 days or less)
 - standard (durations of between 4 and 10 days)
 - major (durations of 11 days or more) and
 - immediate emergency (danger to life) or
 - immediate urgent (e.g. to restore connections or deal with potholes)
8. There were around 2.2 million street and road works carried out in England between April 2023 and March 2024². These can cause significant disruption to people's journeys and congestion. To help improve how

works are planned, managed and co-ordinated, the DfT has, in recent years, made the following changes to the regulatory framework:

- In July 2020, our Street Manager digital service went live after 2 years of development. It is used by every HA, utility company and their contractors to plan works, raise and approve permits, register reinstatements, record inspection outcomes, and issue fines. It provides one source of information for use by the sector, for the DfT for further policy development, and we stream open data on live and planned works in real time for websites and app developers to use to inform road users about works taking place.
- We have encouraged all HAs to introduce permit schemes, updating statutory guidance and national conditions. This, in turn, has supported the roll-out of national infrastructure programmes such as broadband and, if current proposals are agreed by Parliament, will support the roll-out of EV chargepoints.
- We have supported the development and roll-out of lane rental, which allows HAs to charge up to £2,500 per day for disruptive works on the busiest roads at the busiest times.
- We have updated our suite of statutory guidance, with updates to the Co-ordination Code of Practice most recently in 2023, a new version of our technical standards for reinstatements ([Specification for the Reinstatement of Openings in the Highway \(SROH\)](#) in 2020, and also in 2023 the Inspections Code of Practice and Permit Scheme guidance.
- In 2023, we introduced a new regime of performance-based inspections, using data from Street Manager.
- We now require actual works start and work stop notices to be sent much sooner so that road users know when works are in place and when they have been completed.

9. The Government has recently announced further reforms including work updates to regulations and guidance:

- As part of the devolution agenda, the Government is consulting until 21st February 2025 on proposals to devolve the power to approve lane rental schemes from the Secretary of State to Mayors.
- The level of fixed penalty notices (FPNs) available for some street works offences will be doubled, overrun changes of up to £10,000 per day

applied at weekends and bank holidays to close an existing loophole, and at least 50% of surplus lane rental funds will be spent by HAs on road maintenance.

- Legislation will be amended to allow operators installing EV chargepoints access to permits and Street Manager. As these are not statutory undertakers, they currently need to apply for more costly licences under section 50 NRSWA which can take several months to be issued.
- We plan to update the Safety Code of Practice. A draft has been prepared with support from the devolved administrations, the sector and consultants and we hope to consult on this in Spring 2025.
- We have carried out a review of the existing qualifications regime for street works operatives and supervisors which has identified a number of ways in which the regime could better suit the needs to the sector, attract new entrants and maintain standards. We hope to consult on detailed proposals later in 2025.

Key facts and figures

10. The tables below show aggregated data from Street Manager, the DfT's online service for planning and managing works.

11. Table 1 shows the total number of permits applied for by utility companies and HAs in each of the last 3 years, for which we have data available from Street Manager. Not all permit applications will be approved, some may be cancelled and some are unused. The table shows that the majority of applications are for minor works. The next largest category, and one that is growing, is immediate urgent works. These are unplanned works needed, for example, to repair leaks, restore connections or repair dangerous potholes.

Table 1: Total number of permit applications						
	2021/22	%of permits	2022/23	%of permits	2023/24	%of permits
Minor works: duration 3 days or less	1,622,886	55.3%	1,774,656	57.2%	1,768,034	57.0%
Standard works:	348,609	11.9%	365,624	11.8%	316,988	10.2%

duration between 4-10 days						
Major works*: duration 11 days or more	186,149	6.3%	188,323	6.1%	187,448	6.0%
Immediate emergency: danger to life	183,675	6.3%	138,692	4.5%	127,684	4.1%
Immediate urgent: repairs	593,719	20.2%	633,138	20.4%	703,438	22.7%
Total	2,935,038		3,100,433		3,103,592	

*includes provisional advanced authorisations

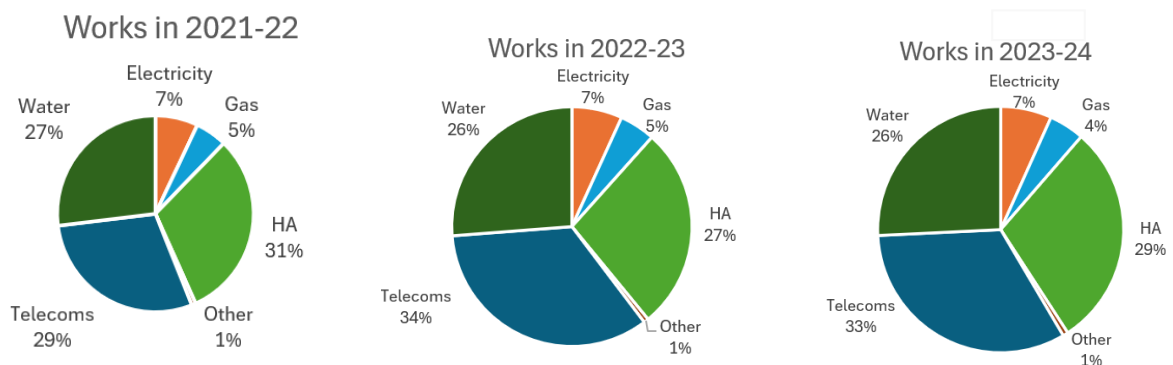
12. Table 2 shows the total number of works that actually took place. It shows that around one-third of permit applications are refused, cancelled or unused. HAs can refuse permits, for example, if works clash with other planned works or incorrect information is provided. Permits are cancelled or withdrawn if companies, for example, realise they need to work at different times. The data shows there has not been a significant growth in the total number of works being carried out since 2021/22.

Table 2: Total number of actual works						
	2021/22	%of works	2022/23	%of works	2023/24	%of works
Minor works: duration 3 days or less	1,014,320	48.2%	1,098,527	50.0%	1,096,645	49.6%
Standard works: duration between 4-10 days	216,566	10.3%	225,616	10.3%	194,584	8.8%
Major works*: duration 11 days or more	136,125	6.5%	139,914	6.4%	133,752	6.1%
Immediate	174,408	8.3%	129,738	5.9%	119,102	5.4%

emergency: danger to life						
Immediate urgent: repairs	562,866	26.7%	601,356	27.4%	665,433	30.1%
Total**	2,104,285		2,195,151		2,209,516	

*includes provisional advanced authorisations

13. Over the last three years, 27%-31% of street works have been carried out by HAs, 29%-33% by telecoms companies to support the roll out of broadband and other telecoms works, and 26%-27% by water companies. The remaining works are split between gas, electricity and other works, which include HS2 works and those by National Highways on local roads.



14. Table 3 shows where works took place between April 2023 and March 2024. Works with no carriageway incursion take place wholly in footways/pavements. Some carriageway incursion may involve, for example, areas for pedestrians to pass by work sites safely but might not affect vehicular traffic. Traffic management and carriageway incursions include different types of temporary traffic management, as well as partial and full lane closures.

Table 3: Number of works by sector and location, 2023/24

Sector	No carriageway	Some carriageway	Traffic management	Total
--------	-------------------	---------------------	-----------------------	-------

	incursion	incursion	and carriageway restrictions	
Electricity	37,906	57,290	53,244	148,440
Gas	22,035	41,199	39,735	102,969
Telecoms	224,856	272,965	225,539	723,360
Water	110,695	241,642	217,069	569,406
HA	75,463	253,043	322,320	650,826
Other	2,337	577	12,389	15,303
Grand total	473,292	866,716	870,296	2,210,304*

Total number of works in 2023/24 in Table 3 is different to that in Table 2, as Table 2 excludes HS2 works from its total.

TSC points of interest

Point 1: The effect of utility works on road and pavement surface quality and on maintenance needs and costs, and how local authorities can manage this.

15. The DfT issues statutory guidance ([Specification for the Reinstatement of Openings in the Highway \(SROH\)](#)) which sets standards for reinstatements following street works by utility companies. Standards will vary according to the volume of traffic using the road, with higher standards for main routes. If standards are followed, then the quality of pavements and roads should be maintained. The SROH applies only to utility street works. Works by HAs are not monitored and inspected in the same way as their works are usually surface works rather than deep excavations and they have other duties to maintain highways. We updated the SROH in 2020 to include new materials and techniques which can speed up works and improve quality, and to support further innovation.
16. Reinstatements by utility companies in footways and in carriageways must be guaranteed for 2 years, or 3 years for deep excavations. HAs have powers to inspect a sample of reinstatements for compliance with the SROH and the Safety Code. Category A inspections are carried out while works are taking place, Category B inspections take place up to 6 months after the reinstatement has been completed and Category C inspections take place 2 years later to check that the reinstatement is still performing. HAs are allowed to charge £50 per inspection.

17. In 2023, we introduced a performance-based inspections regime which means those utility companies with high defect/failure rates are inspected more than those who comply with standards. There is a financial incentive attached to this, as utility companies have to pay for each inspection, and every 3 months are moved to a higher or lower sample rate as a result of their performance that quarter. There is a minimum sample inspection rate of 20% of the total number of inspection units agreed at the start of each financial year within each HA area. Inspection units are calculated on the basis of the duration of the works carried out. There is no limit on the sample rate for poor performers who continue to fail inspections.
18. HAs have powers to require utility companies to repair any defective reinstatements and can then charge companies £120 each for up to two follow up inspections. If defects have not been repaired at that stage, there is an escalation procedure set out in statutory guidance ([Inspections Code of Practice](#)) which, for example, can involve agreeing improvement plans with senior management representatives and which set targets. Ultimately, HAs have powers in NRSWA to repair defects themselves and to re-charge the cost to utility companies.
19. Utility companies are required to register their reinstatements in Street Manager within 10 days of completion, and it is these registrations that trigger inspections. Failure to comply with this requirement is an offence under section 70 of NRSWA, which can result in a fine of up to £2,500 if pursued in a Magistrate's Court, or a FPN of £120 or £80 for early payment. The Government has recently announced these FPNs will be doubled in 2025.
20. Utility companies can sometimes put interim reinstatements in place, for example, to restore the road back to full use following an emergency work or while they wait for materials. Some HAs specify, for example, certain types of paving stones/slabs that need to be used. If a utility company fails to permanently reinstate the street within six months of their interim reinstatement, unlimited fines could be pursued via a Magistrate's Court.

21. A member of the public can report a defective reinstatement or defective utility apparatus, and HAs can carry out inspections to check out the reports, although they cannot charge for these. HAs can require utility companies to repair either the reinstatement or the apparatus, especially if the defect is categorised as dangerous.

22. If a HA has recently resurfaced a street, they can place restrictions on any street works being carried out for up to 2 years under section 58 NRSWA. Under section 58A NRSWA, they can place similar restrictions following substantial street works by a particular company to reduce disruption to local communities. HAs can let utility companies know when they are planning to resurface a street, inviting them to carry out any works they know are needed beforehand.

23. As noted above, the same standards, penalties and inspection regime do not apply to road works carried out by HAs. The type of work is different. For example, HA road works are mostly surface works or shallow excavations, whereas utility works are excavations which can have more of an effect on the structure of pavements and carriageways. We ask HAs to inspect their own works and apply shadow fines to help monitor contractor performance. Some of them do this and use Street Manager to report defect rates.

24. The DfT does not monitor the effect of utility works on highway surface quality and the resulting maintenance needs and costs.

Point 2: Whether local authorities have sufficient powers and resources to manage the effect of street works on congestion, travel disruption, pavement access and accessibility.

25. Whilst we are constantly reviewing the regulatory framework for street works, the existing legislative framework provides HAs with the broad powers they need to effectively manage street works. HAs are under a duty to co-ordinate street works under Section 59 NRSWA, as well as a duty to manage the expeditious movement of traffic under section 16 of the TMA, which includes cyclists and pedestrians. Utility companies are under a duty under Section 60 NRSWA to co-operate with the HA and comply with their reasonable requests.

26. HAs have enforcement powers to address issues where utility companies do not comply, and can use permits schemes to, for example, set conditions about when works take place. They can also decide whether or not they want to introduce schemes such as lane rental. The amount of resource that a HA puts into managing street works is ultimately a decision for that HA and its relative priorities. The more resource and forward planning that both HAs and utilities put into this area, the more effective coordination is likely to be.

27. In terms of resources specifically for street works, HAs have powers to charge utility companies a fee for dealing with permit applications. Maximum fees are set in statutory guidance ([Permit scheme guidance](#)) and vary according to the type of permit and road. Fees must be charged on a cost recovery basis. Some HAs are asking for maximum permit fee levels to be raised. We have asked their representative group, the Joint Authorities Group, to make the case for this by gathering the necessary evidence to show that fees no longer cover the administrative costs of dealing with utility permit applications. If there is a case, the DfT would need to prepare and consider an options assessment, as additional costs to utility companies are likely to be passed onto customer bills, and to consult on any proposed changes.

28. As noted above, HAs are allowed to charge £50 per inspection to cover the cost of these. HAs can issue overrun charges of up to £10,000 per day for overrunning works, in accordance with regulations made under section 74 NRSWA, which the Government announced on 20th December 2024 will be applied to weekends and bank holidays as well as weekdays. Overrun charges are invoiced and payable to the HA, who can use any charges received to cover the reasonable costs of operating the scheme. They can also use net charges to develop or implement policies to promote and encourage safe, integrated, efficient and economic transport facilities and services to, from and within their area.

29. HAs can issue FPNs for certain criminal offences, that is, working without a permit, breaching a permit condition, late submission of works start and works stop notices and late submission of reinstatement registrations. The Government announced on 20th December 2024 that the level of these

FPNs would be doubled to £1,000 (/£600 discounted) for working without a permit, and £240 (£160 discounted) for the other offences. As with overrun charges, regulations³ allow HAs to use FPN receipts to cover the reasonable costs of operating the scheme, as well as developing or implementing policies for the promotion and encouragement of safe, integrated, efficient and economic transport facilities and services to, from and within their area. This could include street works' management.

30. HAs can prosecute offenders of these and other offences, such as safety breaches, in a Magistrate's Court, where larger fines can be handed down for serious or repeat offences.
31. Lane rental schemes allow a HA to charge up to £2,500 per day for works on the busiest roads at the busiest times. The main aim of lane rental is to reduce the impact of these works on congestion by encouraging those carrying out works to move them to different locations, carry them out at less busy times, or to do joint works with other organisations. HAs can choose whether or not to introduce a scheme. There are four schemes currently in operation on TfL's network in London, and in Kent, Surrey and West Sussex. The Government has approved a fifth scheme in East Sussex which will begin in April 2025. Many more schemes are in development. The Government is currently consulting on a proposal to devolve the power to approve new schemes from the Secretary of State to Mayors as part of its devolution agenda. Regulations⁴ allow surplus lane rental funds to be used on ways of reducing congestion from street works. The Government announced on 20 December 2024 that it will amend these regulations to require at least 50% of surplus funds to be used on road maintenance.
32. In terms of pavement access and accessibility, the DfT issues statutory guidance in the [Safety Code of Practice](#), which applies to both utility street and HA road works. It includes standards for site safety, access and accessibility. The code was last published in 2013 and the DfT is preparing an update, which will, amongst others, improve accessibility for vulnerable road users and bring standards into line with other DfT guidance, such as the Highway Code, [Inclusive Mobility](#) and [Chapter 8](#) of the Traffic Signs Manual.

33. A draft has been prepared with representatives from the Devolved Administrations as the Code is UK-wide, the street works sector, and consultants. Representatives from the Disabled Persons Transport Advisory Committee have commented on the draft, as has the Health and Safety Executive. As the Code is statutory guidance, we will consult publicly on the updated version in Spring 2025.

34. In terms of whether HAs have the necessary resources to manage the impacts of works on congestion and network management more generally, it is for HAs to decide how to allocate the resources they receive from central Government, local taxpayers and other sources. We understand HAs often struggle to find resources to, for example, prepare business cases to make the case for a lane rental scheme, invest in new traffic control centres, or to update their systems and traffic management data which is needed to effectively monitor congestion on the network.

Point 3: The effectiveness of processes for notification of works and obtaining permits, including the classification of emergency works and opportunities for coordinated works, and what makes for a good working relationship between utility companies and highway authorities.

35. The introduction of permit schemes and Street Manager have improved planning and co-ordination of works. Before permits, utility companies simply sent a notice to HAs informing them when they planned to carry out works and HA powers to challenge planned working times and arrangements were limited. HAs did not issue notices for their own works so co-ordination was poor. Permits are needed for both utility street and HA road works, they must be sent and approved in advance for planned works, HAs have grounds to refuse permits and challenge durations, they can add conditions covering how and when works take place, and there is a process for change requests and agreements if organisations need longer to complete works or plans change.

36. An [evaluation](#) of permit schemes in 2018 suggested that works under permit schemes were generally completed faster and therefore with less disruption. As such, Ministers wrote to the 57 HAs without schemes at that time, asking them to put one in place or it would consider using a power of direction contained in the TMA. There is now only one local HA that has yet to introduce a scheme, and they are making plans to introduce one. The DfT has supported the aim of having a common set of rules applied consistently

across HAs as this reduces administrative burdens for permit applicants, including those rolling out national infrastructure projects such as broadband.

37. Before Street Manager, HAs and utilities used a system known as EToN (electronic transfer of notifications). Each organisation had a different version of commercially available software products that transferred notices, in line with a specification issued by the DfT. This meant there were difficulties for those carrying out works to see other planned works, and for this information to be shared with road users. By 2018, the software being used was outdated in technological terms, it did not fully comply with permit legislation, and any further changes or upgrades would have been expensive and time consuming. The DfT therefore paid for the development of Street Manager, which is one, online digital service used by every HA and utility company, and their contractors, in England to raise permits in line with common rules. Street Manager is accessible and continuously improved. The DfT streams open data from Street Manager with information on live and planned works for anyone to take and use in, for example, websites, apps and SATNAVs. Street Manager is also used to record inspections and reinstatements, and issue FPNs and overrun charges.

38. Street Manager went live in July 2020. The service is paid for by utility companies and HAs. A governance group made up of representatives from the sector meets monthly to oversee performance and to agree how it is further developed and what functionality should be added. The DfT chairs the group and oversees contract management, and we have access to aggregated data to help with policy development. User satisfaction with Street Manager is high. Further development planned for 2025 includes functionality to help manage clashes when more than one organisation wants to work on the same road at the same time, and lane rental.

39. The DfT has also improved the timeliness of when information on works are started and when they have been completed. Previously, notices letting HAs know when actual works started and when they have been completed could be sent by 4.30pm the next working day after works began or had ended which, if this spanned a weekend, could be several days later. Regulations⁵ have been successively amended to require works start and stop notices to be sent within 2 hours of works starting or stopping between 8.00am and 4.30pm on any day of the week, and by 10.00am the

following day for works starting and ending outside of those times. The requirement applies to both utility and HA works. Information is streamed via Street Manager.

40. Immediate works are defined in two separate categories. Emergency works are defined in section 52 NRSWA as 'works whose execution at the time when they are executed is required in order to put an end to, or to prevent the occurrence of, circumstances then existing or imminent....which are likely to cause danger to persons or property.' This assessment of danger is made by those responsible for the works.

41. Urgent works are defined as works whose execution at the time they are executed is required (or which the person responsible for the works believes on reasonable grounds to be required)

- to prevent or put an end to an unplanned interruption of any supply or service provided by an undertaker
- to avoid substantial loss to an undertaker in relation to an existing service or
- to reconnect supplies or services where an undertaker would be under a civil or criminal liability if the reconnection is delayed until after the expiration of the appropriate notice period; and
- includes works which cannot reasonably be severed from such works

42. Urgent works therefore means works where immediate action is needed to prevent a loss or restore any supply or service provided by them. The [Co-ordination Code of Practice](#) advises that immediate permits should not be requested for planned works or works that are known about.

43. Both types of immediate permits can be sent to the HA via Street Manager within 2 hours of works starting on site. HAs can assess these permits and, for example, ask for works to be completed by a particular time but HAs understand the need to carry out emergency and urgent works as soon as possible, including for their own works.

44. Concerns have been raised recently by some HAs about potential misuse of immediate-urgent permits. There is suspicion that some organisations are using them for works that are known about, or to do follow up works to what might have been an initial emergency, instead of submitting permits in advance as they do for planned works. We have examined Street Manager data and spoken to industry representatives, as well as some local

authorities and have found no evidence of misuse. We examined information about the works such as the works' description and it appears that the works were for genuine emergencies or urgent repairs to restore services. We discovered that the main organisations using immediate-urgent permits (the highest category) are water companies and HAs themselves to, for example, repair leaks and restore customer connections in line with requirements from regulators, or to repair dangerous potholes. We asked some authorities to examine their own, more detailed data, to see if they could provide any evidence of misuse which they have not, as yet, although we remain open to receiving any additional information.

45. Nevertheless, DfT is planning to improve how immediate permits, especially urgent ones, are being used, given the growing number of them (26.7% of all works in 2021/22 and 30.1% in 2023/24). There may be reasons for the growth, for example, more pothole repairs and fixing water leaks but there is always scope for improvement, for example, in how these works are co-ordinated and communicated to road users. We plan to work with the Highway Authorities and Utilities Committee (HAUC) on proposals which could involve, for example, changes to Street Manager to flag emergency and urgent works that will have a high impact on, for example, bus routes so that these permits are the focus of efforts to ensure they are completed as soon as possible. We can improve statutory guidance relating to co-ordination. We would like to consider bringing traffic management plans, which are often submitted to and assessed by different parts of the HA, within Street Manager so the impact on traffic is assessed at the same time as the permit. We could consider different types of permits and we could consider amending the rules so that immediate permits have to be sent 2 hours before or as gangs are arriving on site so that information can be sent more urgently via Street Manager to road users.

46. Some have suggested that the Government should require works to be attended at all hours, including overnight and at weekends, for immediate works on major routes. There would be costs associated with this which would be passed onto customer bills and taxpayers. Also, there are environmental health considerations from the noise associated with works taking place overnight. HAs can already require working into evenings and over weekends via permit conditions if that is necessary for a particular job and to reduce disruption. More broadly, HAs can also consider introducing lane rental which provides a financial incentive for works to be completed quickly.

47. Utility companies and HAs can also consider joint works, sharing permits and working together to minimise impacts on local communities. The representative group, HAUC, promotes better co-ordination and supports the application of the Co-ordination Code of Practice. There are good examples of joint working, especially for major works which have to be planned at least 3 months in advance. It is more difficult for these to occur for minor works. Minor works permits are submitted 3 days in advance and the HA must assess them within 2 days. Works can then take place if permits are approved. Another company can submit a minor permit a week later for a job on the same road and the HA cannot unreasonably refuse their application. Given the growing number of telecommunications companies and the number of telecommunications works, more thought could be given by the DfT and the sector to how these works could be planned and co-ordinated more effectively.

48. The Co-ordination Code of Practice advises that good co-operation and communication between HAs and utility companies are the most effective way of working. This should include planning, informing each other of forward plans to aid coordination, and working constructively through any issues that arise. This should also include contractors and sub-contractors. There are areas where this is happening, but we believe both utility companies and HAs can do more, especially sharing forward plans and improving communications. Street Manager allows forward plans to be shared but it is not currently a requirement.

49. Telecoms companies, working with DSIT, are currently investigating whether a new type of flexi permit could support the roll-out of broadband and upgrades to fibre. This could allow a number of works to be carried out over a period of time, over a particular area, under one permit. Current rules require one permit per street, which can cover more than one work. Telecoms companies believe it could support quicker roll-out of their works. The DfT consulted on this proposal in 2022⁶ and again in 2023 but there were concerns from HAs about the impact flexi permits would have on congestion and other organisations wanting to work in the same area at the same time. They also believed that there was sufficient flexibility within the existing regime and that better planning and communication with HAs would deliver similar outcomes. DSIT has engaged consultants to carry out trials to independently assess and evaluate the case for flexi permits. The DfT will assess the outcome on completion of the trials.

Point 4: Whether fines are a sufficient deterrent to poor practice, whether other enforcement mechanisms would work better, and whether the inspections regime introduced in 2023 has improved the quality of reinstatement works.

50. There are a number of criminal offences set out in NRSWA and the TMA.

These can be prosecuted in a Magistrate's Court and HAs will do this for serious or repeat offenders. Fines can be up to £2,500 for the majority of offences and unlimited for working without a permit if dealt with by the courts. HAs can also choose to issue Fixed Penalty Notices (FPNs) for certain offences. An FPN gives a utility company the opportunity to discharge any criminal liability for an offence by paying a penalty and allows for the resolution of minor infringements without resorting to taking the matter to court, which can both take time and involve administrative costs. FPNs can be issued for working without a permit, breaching a permit condition, late submission of works start and works stop notices and late submission of reinstatement registrations

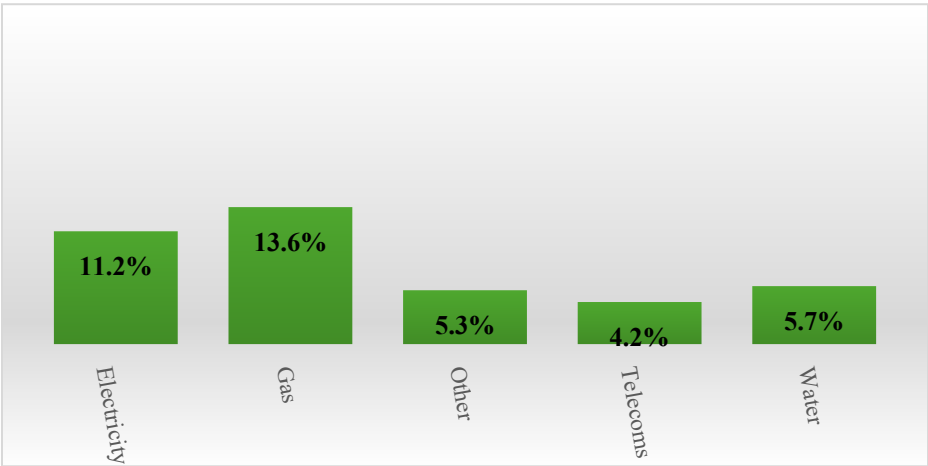
51. The Government announced on 20th December 2024 that the level of these FPNs would be doubled to £1,000/£600 discounted charge if paid early for working without a permit, and £240/£160 discounted charge if paid early for the other offences. This followed consultation earlier in 2024, when two options were presented – either raising penalties in line with inflation or doubling them. A majority of respondents supported doubling FPN levels, and the Government has decided to make that change. NRSWA places a limit on the maximum amount of the FPN of 30% of the maximum fine available in court for that offence.

52. The amount of the FPN charge has not been changed since 2007, and HAs suspected that utility companies and their contractors saw low FPNs as a cost to doing business rather than taking action to comply. According to Street Manager data, the majority of FPNs are for notification offences. Late works start and stop notices can affect road users who are not kept up to date about when works are in place and when they have been completed, and registration notices trigger inspections that check for compliance with the SROH. It is for the relevant HA to act on offences as they see fit, and they retain the power to take an alleged offender to court instead of offering a FPN if they want to seek a higher fine.

53. Table 4 below shows the number of FPNs that were issued between January and November 2024 to utility companies as a percentage of actual works

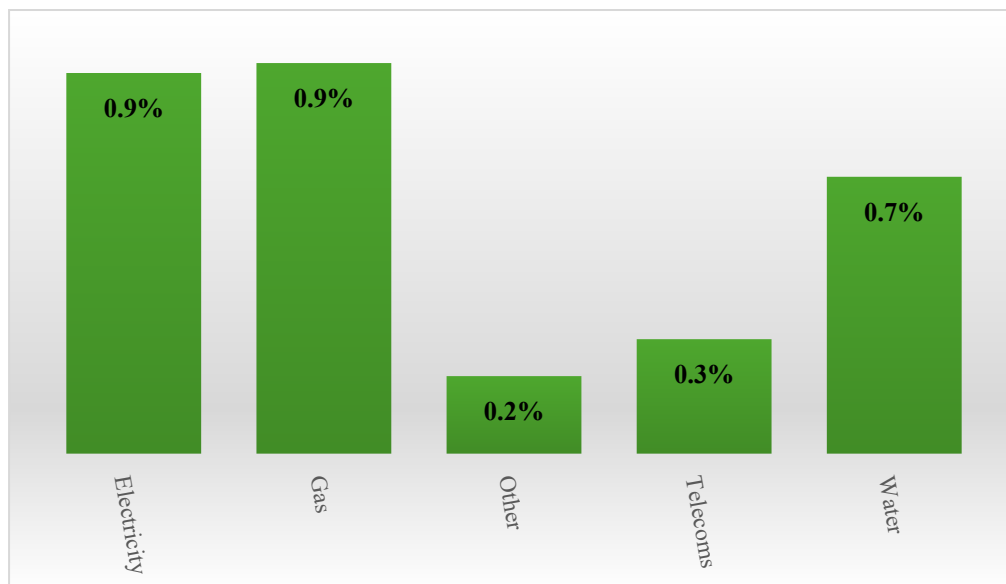
carried out (FPNs do not apply to HA road works). It includes FPNs that were withdrawn after being challenged. We began including withdrawn FPNs from 2024 in the data reports DfT can access from January 2024 to give a more accurate picture. We can also now monitor levels for future months and years. Overall levels of FPNs issued for some sectors is low, which suggests compliance is relatively high. Levels of FPNs issued are higher in other sectors, such as the gas sector. We will continue to investigate reasons for non-compliance and any scope for improvements.

Table 4: Number of FPNs that were issued as a percentage of works



54. Table 5 below shows the number of overrun charges issued under section 74 NRSWA for works that overrun the period agreed by the permit, as a percentage of actual works carried out between January and November 2024. It shows that a low proportion of works attract overrun charges and suggests compliance with durations agreed as part of the permit regime is high.

Table 5: number of overrun charges issued as a percentage of works



55. The DfT is keen to see more efforts by the sector to improve standards and performance and ensure compliance with the regulatory regime, as this should be more effective than penalties once offences have taken place. Data is now available in Street Manager for organisations to do this, including HAs, monitoring their own performance as well as contractors.

56. As noted above, in 2023, we introduced a performance-based inspections regime which means those utility companies with high defect/failure rates are inspected more than those who comply with safety and reinstatement standards set out in the Safety Code of Practice and the SROH. There is a financial incentive attached to this, as utility companies have to pay £50 for each inspection, and every 3 months are moved to a higher or lower sample rate as a result of their performance in the previous quarter. For larger companies in particular, inspection fees can amount to hundreds of thousands of pounds over a year, so higher or lower sample rates provides a strong financial incentive. There is a minimum sample inspection rate of 20% of the total number of inspection units agreed at the start of each financial year based on a formula set out in regulations. In theory, rates could increase to 100% so that every work is inspected for poor performers who continue to fail inspections and see their sample inspection rise by an additional 5% every quarter. However, in reality, we would expect HAs to take action with utility companies whose failure rate continues to increase, escalating the issue to senior management and agreeing improvement plans as set out in the [Inspections Code of Practice](#). Utility companies

should also ensure they monitor and, where necessary, improve their compliance.

57. When performance-based inspections began in April 2023, the DfT placed organisations in 2 sample rates: 30% sample rate for those with failure rates of lower than 15% of inspections carried out in 2023/23 and 50% sample rate for those with failure rates of 15% or more. Based on data from Street Manager, just over one third of utility companies began in the 50% sample rate, and these were predominantly telecoms companies. Since then, performance is assessed by each HA. So larger organisations may be on different sample inspection rates in different areas, based on performance by contractors working in that area.

58. It is still early days to say whether the change has been successful. It has shone a light on failure rates, and performance is now closely monitored via Street Manager. Supporting changes were made to Street Manager in time for April 2023, but more functionality has also now been added during 2023/24 to support non-compliance management. The DfT will continue to review the effectiveness of the new regime.

59. Table 6 below from Street Manager data shows, by sector, how many organisations' sample rates have gone up, down and stayed the same. The assessment has been made on the assumption that they all started on the 30% sample rate. It is one way of assessing, nationally, the effect of the new regime, although there could be other reasons such as, for example, changes in contractors. The data is according to the sample inspection rate as of quarter 2, 2024. The inspection rate has been calculated by taking the average of all an organisation's various sample rates across the HAs in which they work.

Table 6: change in sample inspection rates

Sector	Number of companies where sample rates have risen	Number of companies where sample rates have reduced	Number of companies where sample rates have stayed the same
Electricity	9	14	0
Gas	5	7	2
Telecoms	41	40	4
Water	15	6	1

Other	4	2	0
Totals	74	69	7
	Total no of companies		150

Point 5: Whether lane rental is a successful model, the potential merits of making it available in more areas, and what other tools or best practices could be more widely adopted.

60. Lane rental allows charges of up to £2,500 per day for works on the busiest roads at the busiest times. There are currently four lane rental schemes in operation: on Transport for London's (TfL) network in London, and in Kent, Surrey and West Sussex, with many more in development. The Secretary of State has recently approved a scheme in East Sussex which is due to begin in April 2025.

61. The DfT published an evaluation on the effectiveness of TfL's and Kent County Council's scheme in 2016⁷. It concluded that data from both schemes suggests they were successful in reducing disruptions from works, but acknowledged that work promoters may have changed their behaviour for reasons other than lane rental charges, such as improved efficiency. It is a requirement of the 2012 regulations that schemes carry out annual evaluations of their scheme. TfL has published theirs up until 2022.⁸ West Sussex County Council has published their report⁹. [Surrey County Council](#) will email their report to anyone who requests it. The scheme evaluations suggest that lane rental has been effective in their areas at reducing works durations.

62. Most recently, in West Sussex County Council's evaluation of the impact of their scheme between December 2022 and March 2024¹⁰, their analysis states that over 91% of charges were avoided by those carrying out works out of hours, at weekends or through collaborative working. By way of an example, table 7 below is from their report and summarises reductions in average works' durations of utility companies on traffic sensitive streets following the introduction of West Sussex's lane rental scheme in December 2022.

Table 7: Average work duration of potentially chargeable activities carried out by utility companies on traffic sensitive streets in West Sussex

Activity type	April 2021 – November 2022	December 2022 – March 2024
Immediate (urgent)	4.90	2.92
Immediate (emergency)	7.40	6.76
Minor	2.32	1.46
Standard	8.32	7.11
Major (< 10 days duration)	5.39	2.78
Major (> 10 days duration)	58.75	39.67

The table shows durations for potentially chargeable works only, works that had been forward planned have been discounted

63. The Government believes lane rental is an effective tool for HAs who want to reduce the impact of the most disruptive works on congestion. It is therefore supporting more HAs in the development of schemes, with updates to be published shortly to our guidance and new application templates to make it easier to apply. We are consulting on devolving powers to approve new schemes from the Secretary of State to Mayors, and the Government has announced that it will require at least 50% of surplus lane rental funds to be spent on road maintenance. The rest will continue to be available for projects such as trials of new materials or techniques and mitigations for works.

64. We are expecting more HAs to bid for schemes, with many in development around England. We believe the benefits will be reduced works' durations, greater incentives to carry out joint and collaborative works, and reductions in congestion which will benefit all road users. It is important to remember that lane rental is about reducing congestion by incentivising those carrying out works to avoid paying charges by changing behaviour, and is not about raising revenue. Surplus revenues are, however, likely to be built up and the DfT would like to work with HAUC to give more thought to governance arrangements, especially as more schemes are set up, and how we can make it easier for organisations to apply for surplus funds.

Annex A: Key legislation and guidance

Legislation

- Part III The New Roads and Street Works Act 1991
- The Traffic Management Act 2004
- The Street Works (Registers, Notices, Directions and Designations) (England) Regulations 2007 as amended
- The Street Works (Charges for Unreasonably Prolonged Occupation of the Highway) (England) Regulations 2009 as amended
- The Traffic Management Permit Scheme (England) Regulations 2007 as amended.
- The Street Works (Fixed Penalty) (England) Regulations 2007 as amended
- The Street Works (Charges for Occupation of the Highway) (England) Regulations 2012 as amended

Statutory guidance

- [Permit scheme guidance](#)
- [Permit scheme national conditions](#)
- [Co-ordination Code of Practice](#)
- [Safety Code of Practice](#)
- [Inspections Code of Practice](#)
- [Specification for the Reinstatement of Openings in the Highway \(SROH\)](#)

Guidance

- Issuing [Section 50](#) street works' licences
- [Lane rental bidding guidance](#)

January 2025

Endnotes

¹ Traffic Management Permit Scheme (England) Regulations 2007 (S.I. 2007/3372).

² source: Street Manager. The DfT receives data reports from Street Manager. Data in Street Manager is input by users who are responsible for ensuring it is accurate.

³ The Street Works (Fixed Penalty) (England) Regulations 2007

⁴ The Street Works (Charges for Occupation of the Highway) (England) Regulations 2012

⁵ The Street Works (Charges for Unreasonably Prolonged Occupation of the Highway) (England) Regulations 2009

⁶ <https://www.gov.uk/government/consultations/street-manager-and-permit-scheme-changes>

⁷ <https://www.gov.uk/government/publications/street-works-lane-rental-evaluation>

⁸ <https://tfl.gov.uk/info-for/urban-planning-and-construction/our-land-and-infrastructure/lane-rental-scheme#on-this-page-3>

⁹ https://www.westsussex.gov.uk/media/5ezhkqij/wslrs_evaluation_report_2022-2024.pdf

¹⁰ https://www.westsussex.gov.uk/media/5ezhkqij/wslrs_evaluation_report_2022-2024.pdf