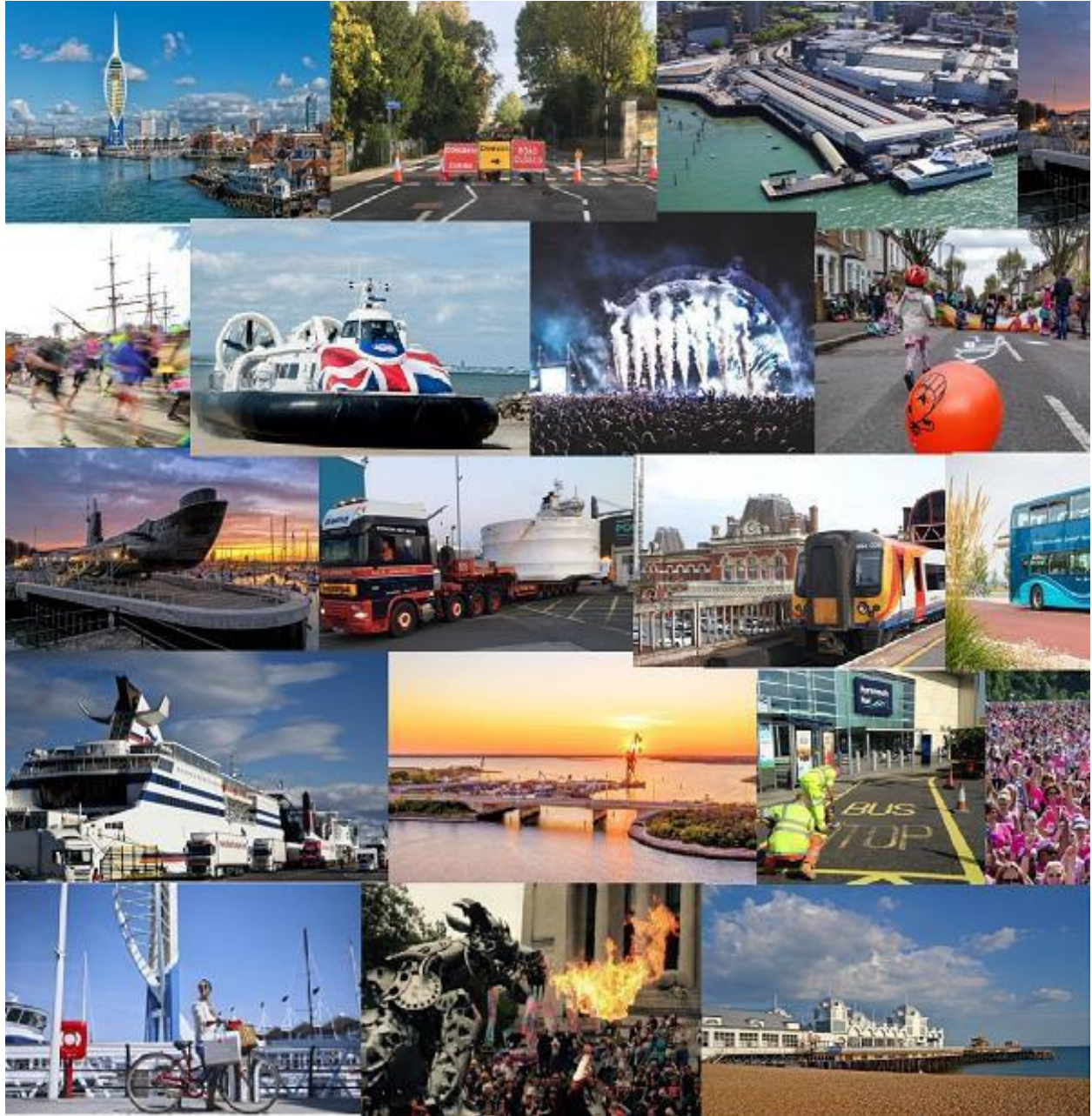


Portsmouth City Council Permit Scheme for roads and street works

Year 2 Evaluation Report



Working together to deliver a safe, efficient, and sustainable highway network for everybody.

May 2024



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1 Executive Summary

The second year of operation of the Portsmouth City Council Permit Scheme (PCCPS) has seen the government's push towards superfast broadband continue at a pace with new Statutory Undertakers coming to the market. These new works promoters have often been inexperienced in carrying out works on the Public Highway and have tendered works contracts linked directly to productivity of installing their services.

The surge of new fibre companies being in direct competition with each other in a limited market (properties requiring fibre services) also increases the risk for speed of installation to take precedence over quality of reinstatements and coordination activities. The street works team has had to dedicate more resources to regulate the activities of these new works promoters and to agree and coordinate required road space.

These challenges are not unique to the PCCPS with neighbouring authorities and indeed the whole southeastern region experiencing similar large scale superfast fibre broadband rollouts, and this has led to a secondary issue of a general shortage of highly skilled street works operatives and supervisory staff across the industry.

Recruitment and retention of staff in highway authority's street works teams have been directly impacted with fibre installers offering much higher salaries for experienced supervisory staff causing existing staff to leave street works teams employ and joining the new fibre companies. Replacing lost staff has become problematic with more junior staff being trained to replace those who have left the organisations.

This is a nationally recognised problem and the industry along with Department for Transport is looking to increase opportunities for new recruits to join the street works industry and for suitable national training programmes to be developed to encourage those considering a career path in street works.

During the second year of operation 7,631 Permits were granted to Utility Promoters and Highway Authority Promoters. This total includes applications that were granted but subsequently cancelled by the Promoter before the works were undertaken. This is nearly double the volume indicated by the historical Notice volumes and further evaluation of this is carried out in the report.

A large part of this increase in volume can be attributed to the communications industry and superfast fibre broadband rollout with 42% of the works undertaken in the city being undertaken by that sector.

Numbers of permit applications, change requests and works undertaken increased in comparison to the first year of operation of the PCCPS and these increases needed to be addressed and mitigation put in place to support government objectives whilst endeavouring to keep a functioning highway network available for those who visit, live, and work in the city.

2 Introduction

The Traffic Management Act 2004 (TMA), Part 3 Sections 32 to 39, and the Traffic Management Permit Scheme (England) Regulations 2007 make provision for Permit Schemes to be introduced in England. The Portsmouth City Council Permit Scheme (PCCPS) was adopted by Portsmouth City Council on 3 August 2020.

Regulation 10 of The Traffic Management Permit Scheme (England) (Amendment) Regulations 2015 inserts a new regulation (16A) into the 2007 Regulations. This new regulation makes provision for the content and timing of permit scheme evaluations, which states that permit schemes be evaluated following the first, second and third anniversary of the scheme's commencement and then following every third anniversary. It also requires that the outcome of each evaluation be made available within three months of the relevant anniversary. PCCPS will be releasing their subsequent evaluation reports on the following proposed dates:

- Third Year Evaluation; end of November 2023
- Sixth Year Evaluation; end of November 2026

Contained within evaluation reports the acting Permit Authority Portsmouth City Council shall include considerations of:

- (a) whether the **fee structure needs to be changed in light of any surplus or deficit**;
- (b) the **costs and benefits** (financial or otherwise) of operating the scheme; and
- (c) whether the permit scheme is meeting **key performance indicators** where these are set out in the Guidance.

This report sets out an overview of PCCPS operational performance in its second year as compared to the first year of operation, using the available data in relation to street works and activities on the Portsmouth network.

It is to be noted that the migration from an Eton system to the DFT Street Manager system (concurrently with the implementation of the PCCPS) did not allow a historical comparison between noticing data and permitting data as the systems are considering different sets of data with different rules in respect of the way data is received and stored.

Going forward, this evaluation and further reports will consider achievements against set parameters noted in the 1st year report listed below, based on information and data within Street Manager, thus enabling to derive repeatable and measurable indicators on the performance of the PCCPS.

Permits received/granted/refused	Number Year 1	Number Year 2	Variation from Year 1
Total permit applications received	5,330	8,447	58%
Total permit change requests received	566	3,655	545%
Total permits with status that cannot be determined	0	0	No change
Total permits granted	4,974	7,631	53%
Total permit change requests granted	559	3,426	513%
Total permits refused	38	527	1286%
Total permit change requests refused	7	58	728%
Total permits cancelled by works promoter	959	1,012	5%
Total change cancelled by works promoter	72	229	218%
Total permits granted where works were undertaken	4,333	6,620	53%
Total permit extension requests	612	1,247	104%
Total permit extension requests granted	513	1,095	113%
Total collaborative works undertaken	8	47	488%
Total permits deemed granted	*	79	* No data

All measurables increased in number from the 1st year of operation and some stand out as distinctly different even allowing for the superfast broadband rollout and the large increase in volume of works this has brought such as permit change request.

This can in some part be explained by the fact that the Street Manager permit handling system was brought in as a minimum viable product and has continued to develop functionality whilst being used as the system that all works promoters and permit authorities must adhere to.

The new Statutory Undertakers coming to the market as a result of the government push towards superfast broadband have been another contributing factor to the increase of change requests because they were unfamiliar with booking road space and the quality of their applications was lower than expected. These new works promoters also found forward planning very difficult due to their commercial push to install services before competitors in an effort to achieve a higher market share leading to late applications for works being the standard approach. It was seen across the industry at this time that as soon as an installer opened a new area of works competitors would also rush to work in similar areas for fear of losing market share. The issues with forward planning were compounded by the lack of experienced staff as many new companies came into existence in a short period of time. Poorly planned works makes booking road space harder with potential clashes of works and durations of works overruns; works gangs are then not available for the next job, which triggers changes in the corresponding permit.

The second-year data shows some “deemed granted permits”, which means works were granted road space without being considered for coordination purposes. This is an important indicator for the performance of the PCCPS street works team as works being undertaken without coordination or full mitigation efforts being employed can lead to clashes of works and travel disruption. However, there have been only 79 permits deemed granted which equates to 1% of the grant permit applications. This shows that the vast majority of works undertaken in the city were effectively coordinated as required by the Network Management Duty.

3 Objectives of the Portsmouth City Council Permit Scheme

Any activity undertaken in a street has the potential to cause disruption by reducing the width of the street available to traffic, pedestrians, and other users, thus inconveniencing businesses and residents. The scale of disruption caused is relative to the type of activities being undertaken, the capacity of the street, the duration and timing of the works and the methods employed to carry them out. Works on those streets where the traffic flow is close to, or exceeds, the physical capacity of the street will have greatest potential to cause congestion, disruption, and delays.

The objective of the TMA and therefore this permit scheme is to enable the management of the traffic network to ensure expeditious movement of traffic (including pedestrians, cyclists, and other vulnerable road users) as required under the TMA Network Management Duty. 2.4. The Permit Scheme is intended to enable more effective co-ordination and to empower the Local Highway Authority (Permit Authority) to minimise disruption from both street and highway works.

The strategic objective for the Permit Scheme is to provide a capability to manage and maintain the local highway network for the safe and efficient use of road space, whilst allowing Promoter's access to maintain their services and assets, including installing new connections. The principle of the Permit Scheme is to improve the planning, scheduling, and management of activities so that they do not cause unnecessary traffic disruption to any road user. Co-ordination of activities through the Permit Scheme will enable differences between those competing for space or time in the street, including traffic, to be resolved in a positive and constructive way.

The objectives of PCCPS were laid out in Section 3 of the Scheme. These are summarised below:

- Reduced disruption on the road network
- Improvements to overall network management
- Reduced delays to the travelling public
- Reduced costs to businesses caused by delays
- Promotion of a safer environment
- Reduced carbon emissions

Future end of year assessment reports will include any appropriate Street Manager monitoring reports to be developed to evidence the effectiveness of a permit scheme function.

The Permit Scheme objectives align with the guiding principles contained within the Portsmouth City Council local transport plan (LTP3):

- Seek to improve accessibility for all
- Reduce carbon and other greenhouse gases generated
- Support and promote economic development
- Engage with the community, other City Council's departments, Members, local businesses, interest groups, transport operators and neighbouring authorities as appropriate
- Ensure appropriate consideration of all those with disabilities
- Work towards social inclusion for all

- Sustain and improve safety for all

As can be seen from the data comparison between year 1 and year 2 all permit scheme activities increased year to year, with the change request data showing a remarkable increase as discussed in section 2.

That the PCCPS permit scheme had to handle the increases in application and works undertaken on site with only a tiny percentage of works being allowed to happen without receiving coordination efforts supports the assessment that the PCCPS is meeting the objectives set out in the scheme document and is a successful permit scheme.

4 Costs Budgets and Actuals

When the PCCPS was being developed, the DfT Cost Benefit Analysis (CBA) decision making tool was utilised providing predicted costs and volumes of applications from previous years of street works activities in the Portsmouth City Council jurisdiction on maximum fee's tariff. The actual costs accumulated over the 1st and 2nd year and volumes recorded are now available and a comparison can be drawn.

The actual volume of Permits has remained consistently higher than data derived expectations. This is mostly due to the large fibre installation programme being undertaken in the city and a true reflection of the 'normal' permitting figures will have to await the completion of said rollout works.

Start-up cost centre	Year 2 budget	Year 2 actual
KPI Production	£7,500	£7,500
Invoicing	£10,000	£2,754
IT support	£32,000	£31,097
Management Overhead	£20,000	£19,920
Training	£	£10,000
Staff	£249,528	£232,877
Totals	£310,028	£304,148

Second year operational costs were £304,148 with permit fee income being £367,348.

The second operational year for the Permit Scheme has generated a surplus in fee income of £63,199 comparative to costs incurred.

The Permit Scheme has functioned at a surplus in its first year and consideration as to whether the fee structure needs to be changed in light of the 2nd year findings has been undertaken.

The current high numbers of fibre to the premises permits will not continue long term and therefore a significant drop in permit fee income is expected; therefore, no reduction in permit fee levels will be considered at this time as this reduction would place the scheme in a deficit position for fee income.

This will be reviewed in the year three evaluation.

5 Operational Benefits

Within the 2nd year of functioning of the PCCPS there is quantitative comparison evidence taken from the CBA predicted sums and the first year's actual works carried out. Evidencing the benefits of a permit scheme and how these have been achieved will be affected by several factors not least increasing numbers of works per year.

Permit schemes were designed to reduce disruption and increase control over road and street works and evidence of how they do this can be seen in the Department for Transport's evaluation of street works permit schemes report (see link to the report at **Appendix 3**).

In the conclusions and recommendations section of this report an authority's use of a permit scheme is shown to reduce works durations and offer a more proactive approach to the management of road and street works.

Data in the below tables shows that works and workloads have increased year on year; therefore, the benefits of operating a permit scheme will increase as road space diminishes, the prevalence for works clashes increase and traffic using the Highway is more disrupted due to the higher works numbers.

Works Input

Pre-scheme CBA figures / prediction

Works type	No. of works per year: Statutory Undertaker	No. of works per year: Local Authority	No. of workdays per year: Statutory Undertaker	No. of workdays per year: Local Authority
Major	92	87	2,013	2,307
Standard	409	104	3,475	936
Minor	2,136	223	3,417	578
Immediate	779	46	3,529	112
Totals	3,416	460	12,434	

Year 1 actuals

Works type	No. of works per year: Statutory Undertaker	No. of works per year: Local Authority	No. of workdays per year: Statutory Undertaker	No. of workdays per year: Local Authority
Major	343	73	14,000	949
Standard	549	181	4,941	1,448
Minor	2,436	267	7,308	534
Immediate	746	85	3,730	170
Totals	4,074	606	29,979	3,101

Year 2 actuals

Works type	No. of works per year: Statutory Undertaker	No. of works per year: Local Authority	No. of workdays per year: Statutory Undertaker	No. of workdays per year: Local Authority
Major	550	426	9,495	6,159
Standard	906	302	5,315	1,509
Minor	3,253	591	13,142	1,085
Immediate	1,296	72	5,807	179
Totals	6,005	1,391	33,759	8,938

Works have increased year on year with minor works accounting for the majority of activities occurring on site. New fibre companies utilise various methods of installing their plant including pulling new cables through existing duct works and this often finds blockages that require changes to the permit application and short duration minor works to excavate at the location of the blockage to clear the blockage.

As already noted in this report poor planning can be another major factor in the increase of minor works days of occupation due to the needs of the Statutory Undertaker to install plant quickly but without full forethought and the PCCPS street works team have been endeavouring to facilitate their needs without unduly impeding traffic on the Highway.

Total permitted works on the Highway have increased even when factoring out the superfast broadband works and all but a very small percentage have received full consideration for coordination with road space occupation conditions being applied as necessary.

This increase in road and street works, reduction in forward planning quality and pressure on limited road space availability again highlights the need for and successful operational of the PCCPS and street works team for managing this increase within the requirements and needs of the permitting regulations and Network Management Duty.

6 Permit Scheme Performance Data

The table below shows a breakdown of permit applications received, granted, and refused for the second year of operation in the city.

Permits received/granted/refused	Number
Total permit applications received by PCC during year 1	8,447
Total permit variation applications received by PCC during year 1	3,655
Total permits with status that cannot be determined	0
Total permits granted or refused	8,158
Total granted	7,631

Appendix 1 provides further details regarding the breakdown of permit data into works promoter, permit status and or reasons for refusal by the street works team.

Permit response codes can be found in **Appendix 2** for reference purposes.

7 Permit Scheme Performance Summary

During the 2nd year of operation 12,102 Permit applications (including variation requests) were received from Utility Promoters and Highway Authority Promoters. This total includes applications that were granted but subsequently cancelled by the Promoter before the works were undertaken.

77% of Permit applications are from Utility companies, which is a fall in the percentage of works as compared to the 1st year with more works being permitted to PCC contractors. The average Utility works duration is 10 days.

7,631 Permits were granted, which is 90% of applications and this is an increase of 3% from the 1st year figures. Increases in levels of permits granted can be an indicator of improving quality of permit data. But this is offset by the large increase in change requests varying the granted permits information: whilst initial data is meeting the permit scheme's requirements, poor planning and site-based outcomes are increasing workloads on the PCCPS street works team.

527 Permits were refused, which is 6% of applications. This is an increase in percentage of permits being refused and is indicative of the levels of scrutiny being placed on the initial applications by the PCCPS street works team. The Permit team can refuse a Permit application when they consider that elements of the application (e.g., timing, location, or conditions) are not acceptable.

3,655 variations requests were received which is 6 times higher than the number of change requests received in the 1st year of operation of the PCCPS and some 16 times higher than that originally expected when the permit scheme fees were evaluated using the DfT fees matrix.

The PCCPS is not unique in finding that the number of change requests is very much higher than the early assumption made in the DfT Fees Matrix, and it can now be considered that this was an inadequate estimate.

There were 47 occasions of collaborative working, which is a successful increase when compared to the 1st year total of 8 occasions. More can always be done to improve collaboration, although doing so requires staff time to bring the various works promoters together and support their planning efforts.

Using the average Utilities works days duration of 10 days as noted above, 470 workdays have been saved through these collaborative works. This is a valuable achievement by the team. At an average cost of works of £600 per day at 2002 prices the societal saving equates to £282,000.

8 Conclusions

This report provides evaluation findings of key indicators and measures for the PCCPS after its second year of operation. Overall, the PCCPS, as designed, is effective and efficient.

The number of staff to successfully operate the PCCPS was derived from the DfT Fees Matrix, and this used various assumptions on permit numbers to evaluate the number of staff needed to successfully operate a permit scheme.

As clearly shown above the matrix has used some assumptions that are not confirmed by the trends of actual data, especially in the number of change requests the street works team needs to manage. This leads to the conclusion that, whilst the existing street works team is managing to assess and grants permits at much greater volumes than anticipated, there will be areas that do not receive as much attention as it wishes to.

A review of the staffing numbers is suggested to ensure the maximum opportunities afforded to the PCCPS are gained through having staffing capacity not just to grant permits but to fully consider the implications of the works and apply conditions to the permits that mitigate the effects of the works.

Collaborative works are being increasingly organised and delivered, which is a very challenging objective to achieve but, with greater street works resource, collaboration can be further improved through increasing the capacity of staff to encourage and direct works promoters to collaborate more.

Discounts on Utility fees for positive working arrangements have been applied successfully and will continue to be used by the Permit Scheme staff as positive incentives.

The Permit team and Promoters will continue to work together and make improvements to minimise the impact of works on the highway network and maximise the societal value.

Works are being Permitted and co-ordinated effectively and this has resulted in the network being managed efficiently with the available tools.

The introduction of the Permit Scheme has led to a better control of the network and of the works undertaken on it, as demonstrated by the data contained with this report.

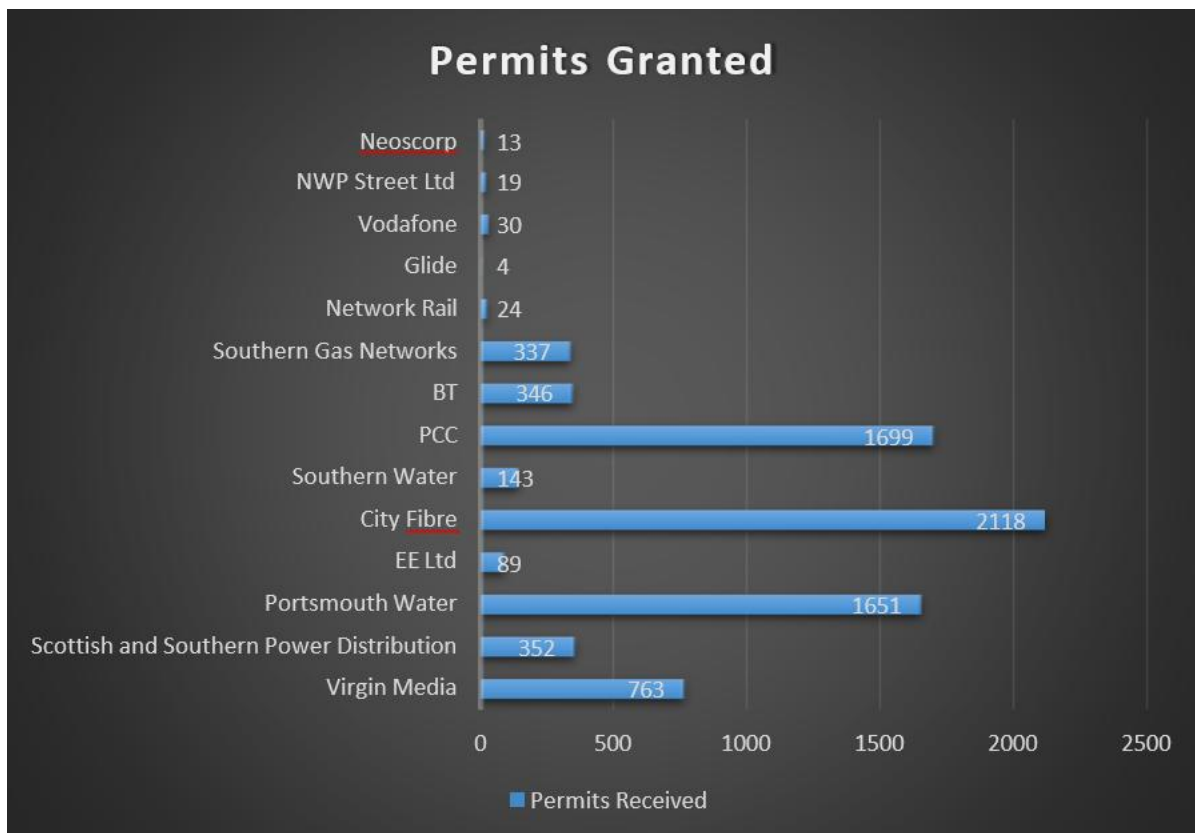
9 Looking Forward

The Permit Scheme team will strive to maintain its effectiveness over the following years with a focus on key areas and activities:

- Assess staffing levels to ensure appropriate and adequate resources are available to meet the demands of the permitting function.
- Review the current working arrangements of the Street Works function to ensure activities maximise their Network Coordination efforts and fully support the permit scheme.
- Consider a Lane Rental Scheme for the city to further reduce works durations.
- Monitor and support the development of the DfT's Street Manager project that will hopefully lead to improved data recording, reporting and standardisation across the Street Works industry.
- Support industry reviews of legislation such as the consideration of fees and charges levied for permit charges and fines providing reports and comments as required.
- Continue staff training and development.
- Monitor Utility discounts given and the behavioural changes that have resulted so the impact can be assessed.
- Assess how the Permit Team can support other initiatives within the Highway Department such as programmes to monitor the level of compliance with Specification of the Reinstatement of Openings in Highways (SROH).
- Continue the drive to maximise efficiencies and identify any areas for improvement or development in Network Coordination

Appendix 1

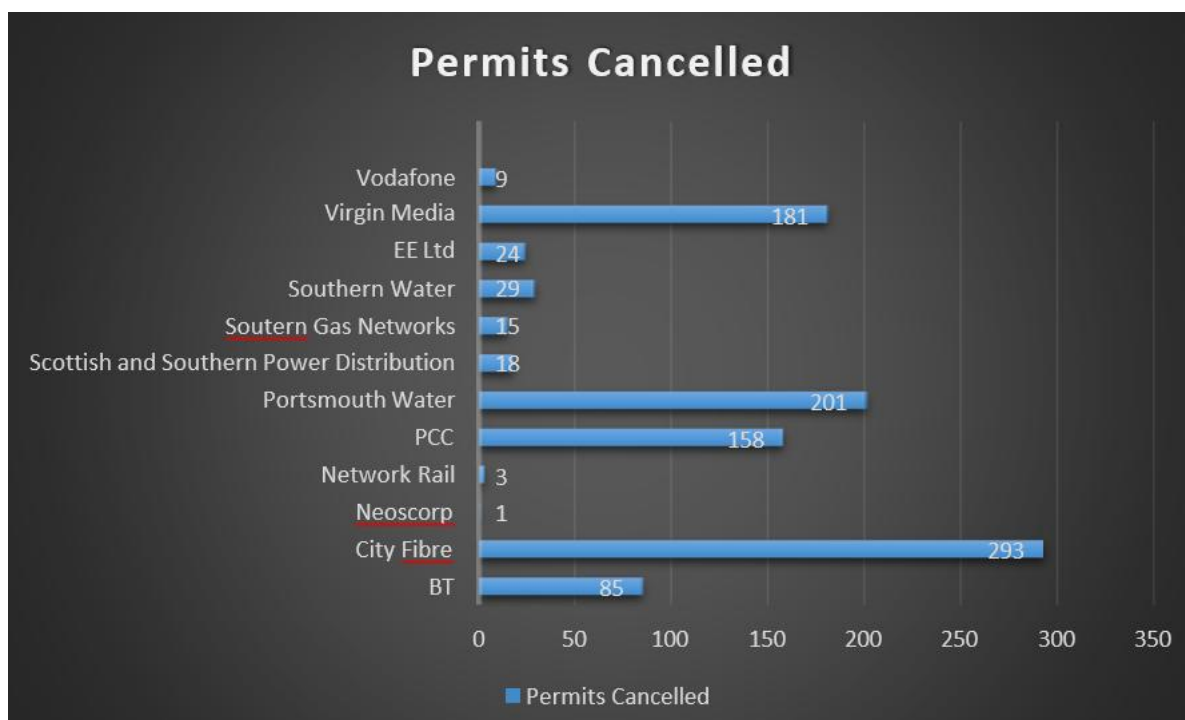
Permits Granted by Works Promoter



Organisation	Permits granted
City Fibre	2,118
PCC	1,699
Portsmouth Water	1,651
Virgin Media	763
Scottish and Southern Power Distribution	352
BT	346
Southern Gas Networks	337
Southern Water	143
EE Ltd	89
Vodafone	30
Network Rail	24
NWP Street Ltd	19
Neoscorp	13
Glide	4

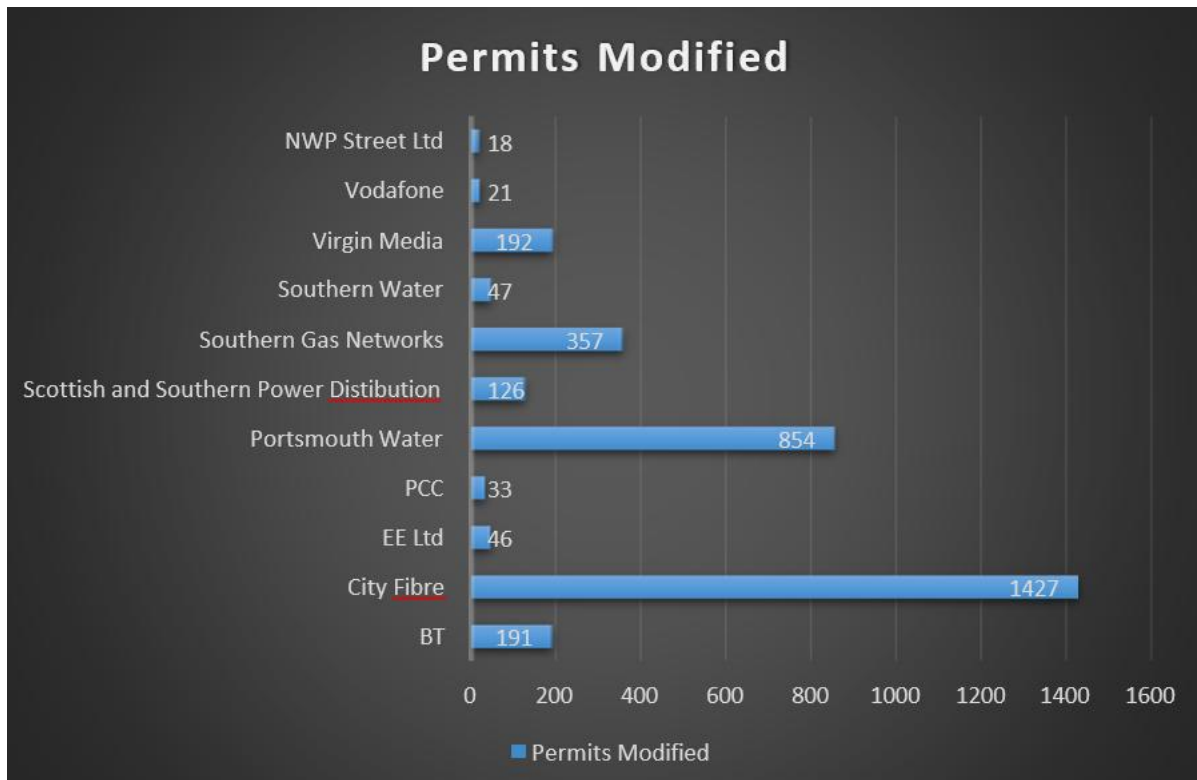
FTTP works were the second biggest single permit applicant by number received.

Permits Cancelled by Works Promoter



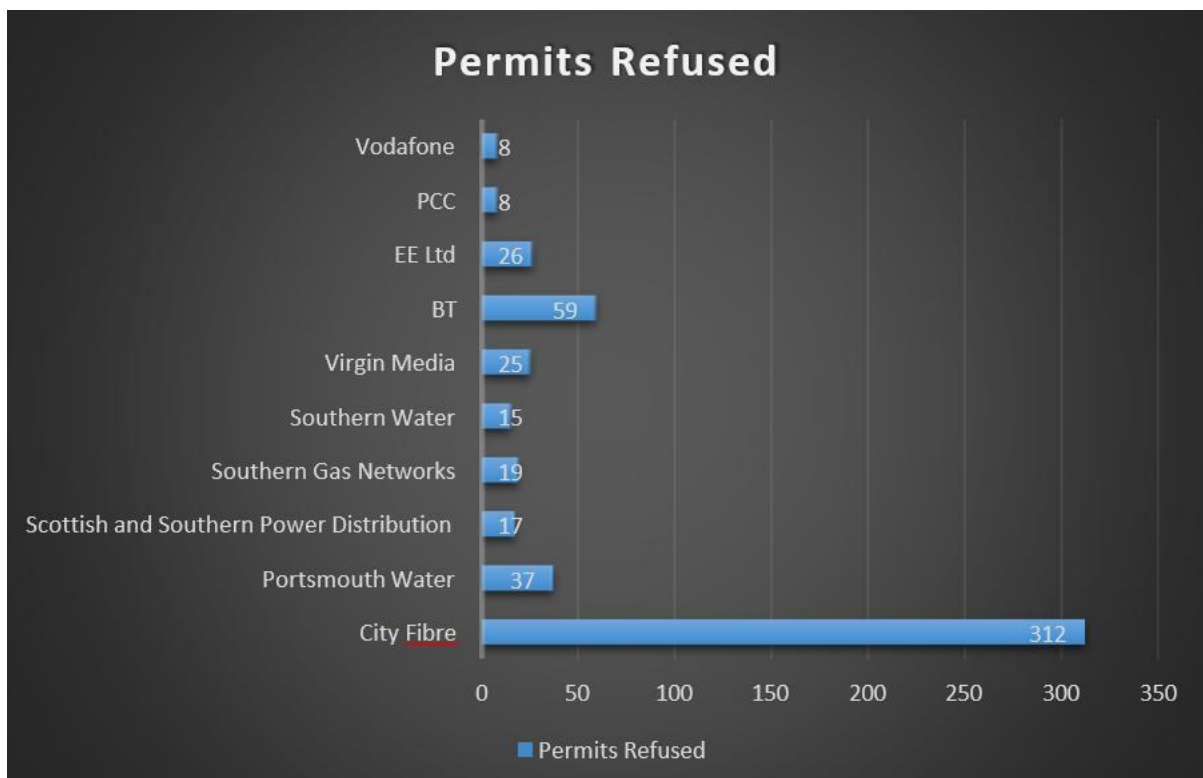
Organisation	Permits cancelled
City Fibre	293
Portsmouth Water	201
Virgin Media	181
PCC	158
BT	85
Southern Water	29
EE Ltd	24
Scottish and Southern Power Distribution	18
Southern Gas Networks	15
Vodafone	9
Network Rail	3
Neoscorp	1

Permits Modified by Works Promoter



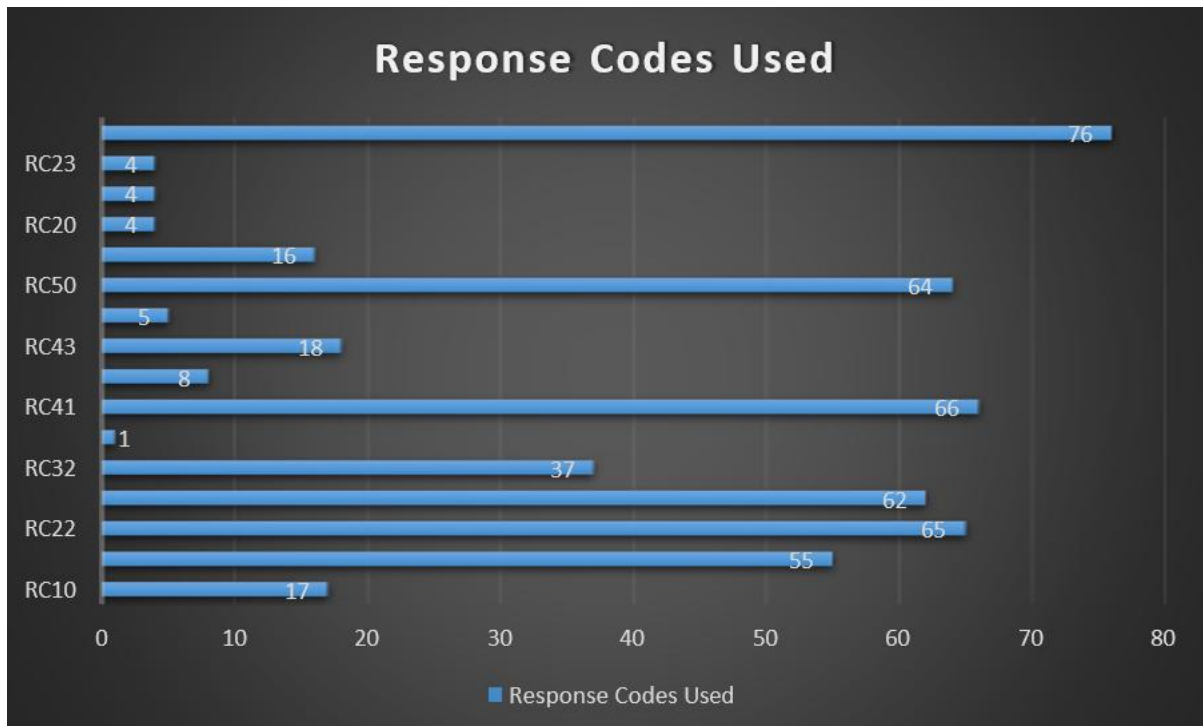
Organisation	Permits modified
City Fibre	1,427
Portsmouth Water	854
Southern Gas Networks	357
Virgin Media	192
BT	191
Scottish and Southern Power Distribution	126
Southern Water	47
EE Ltd	46
PCC	33
Vodafone	21
NWP Street Ltd	18

Permits Refused by Works Promoter



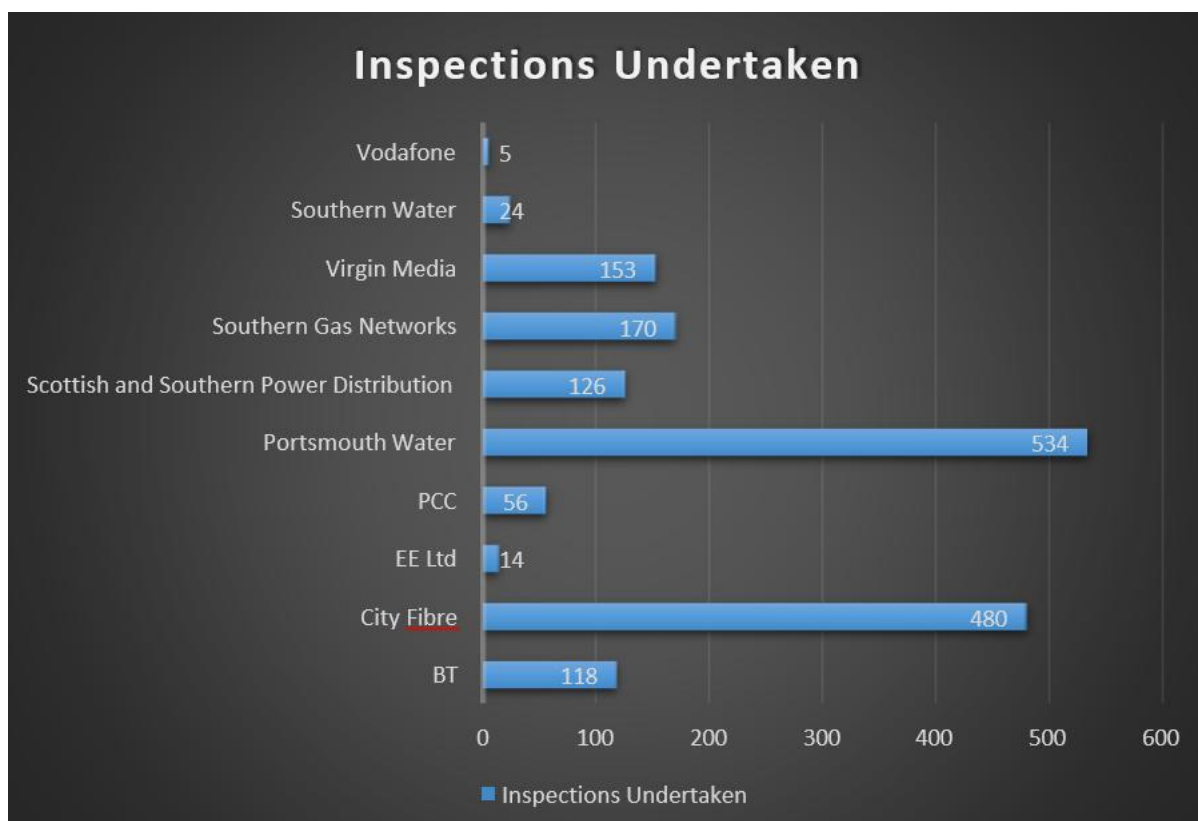
Organisation	Permits refused
City Fibre	312
BT	59
Portsmouth Water	37
EE Ltd	26
Virgin Media	25
Southern Gas Networks	19
Scottish and Southern Power Distribution	17
Southern Water	15
PCC	8
Vodafone	8

Permits Refused by Response Code



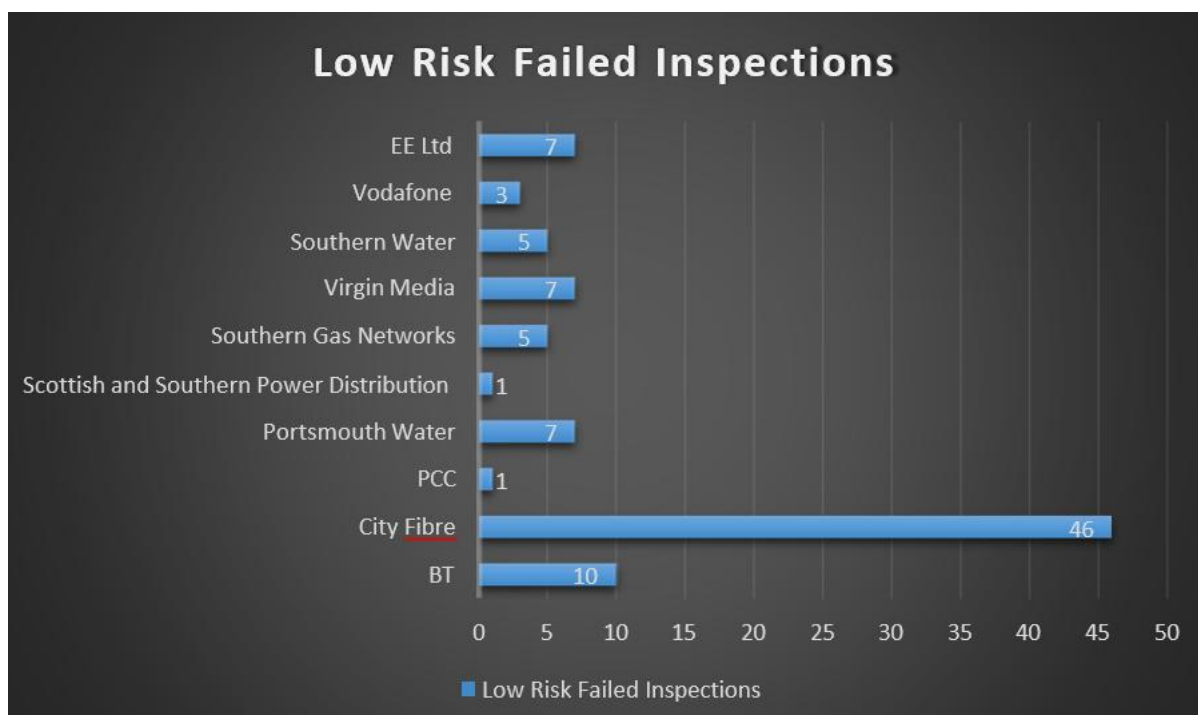
Response code	Number used
RC23	76
RC41	66
RC22	65
RC50	64
RC32	62
RC10	55
RC30	37
RC43	18
RC12	16
RC44	8
RC20	4
RC21	4
RC33	4
RC42	1

Inspections Undertaken by Works Promoter



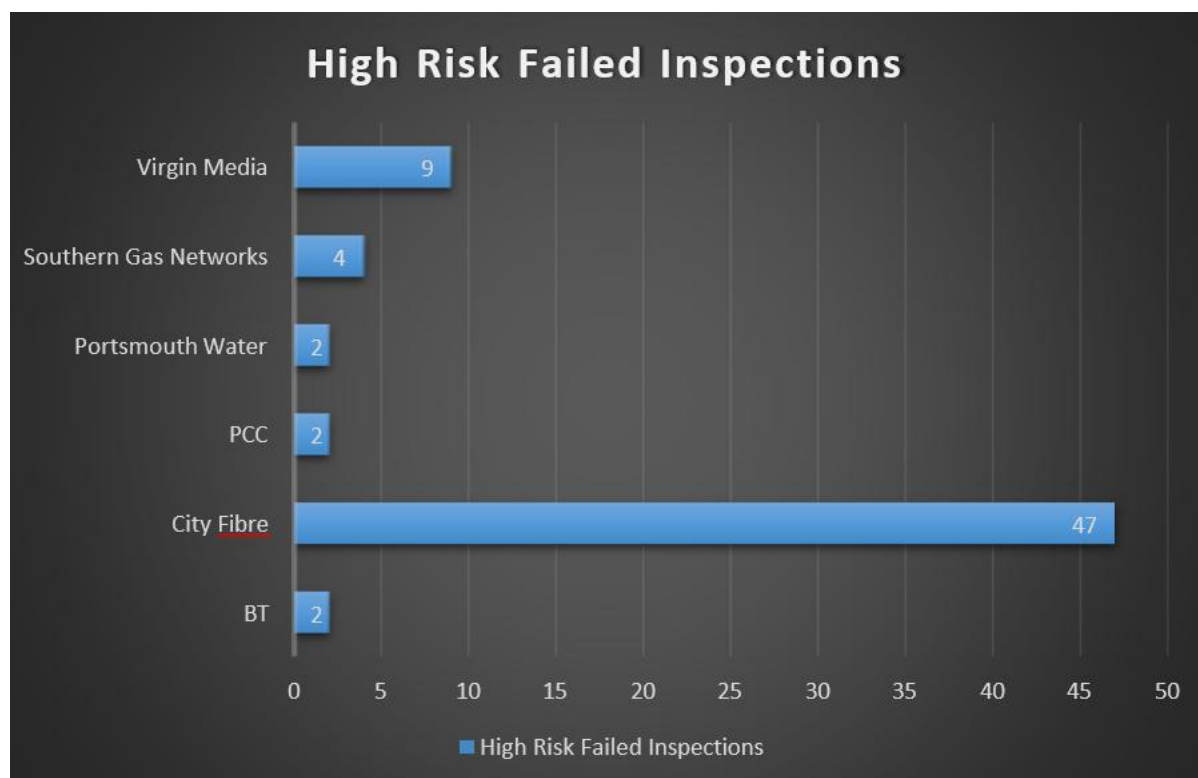
Organisation	Inspections undertaken
Portsmouth Water	534
City Fibre	480
Southern Gas Networks	170
Virgin Media	153
Scottish and Southern Power Distribution	126
BT	118
PCC	56
Southern Water	24
EE Ltd	14
Vodafone	5

Failed Inspections Low Risk by Works Promoter



Organisation	Low risk failed inspections
City Fibre	46
BT	10
EE Ltd	7
Virgin Media	7
Portsmouth Water	7
Southern Water	5
Southern Gas Networks	5
Vodafone	3
Scottish and Southern Power Distribution	1
PCC	1

Failed Inspections High Risk by Works Promoter



Organisation	High risk failed inspections
City Fibre	47
Virgin Media	9
Southern Gas Networks	4
BT	2
PCC	2
Portsmouth Water	2

Appendix 2

Permit Response Codes

Permit response code	Type	Description and suggested text
RC10	Missing information	This would include instances where required conditions have not been provided/are not necessary or conflict. The works description or location information provided is insufficient. Use this code for missing information issues not covered by the below.
RC11	Condition not provided/not necessary	You have omitted essential conditions for these works. If you still plan to proceed with the activity, you must supply the appropriate conditions within the conditions text box. [NAME] [Tel]
RC12	TM not received	Please provide the required [illustration/traffic management drawing/works activity footprint] for this activity. Please supply the required plan and submit a new application once you have received approval. [NAME] [Tel]
RC20	Incorrect details on permit	This would include where the dates, USRN or primary recipient of the permit are incorrect. Use this code for incorrect permit detail issues not covered by the below.
RC21	Incorrect primary recipient	You have incorrectly selected XXX as the primary recipient of the permit. If you still plan to proceed with this activity, you must submit a new permit application ensuring that you have issued it to the correct permitting authority. [NAME] [Tel]
RC22	Location issues	Your location description and map coordinates conflict, preventing effective coordination of these works. If you still plan to proceed with the activity, you must amend this information. [NAME] [Tel]

Permit response code	Type	Description and suggested text
RC23	Conflicting information	You have conflicting information contained within your permit application. You state [Example 1], which conflicts with [Example 2]. If you still plan to proceed with the activity, you must supply consistent information. [NAME] [Tel]
RC30	Co-ordination issues	This would include where the works will cause any sort of conflict (e.g. with an event). Use this code for co-ordination issues not covered by the below.
RC31	Clash of works	Your works will conflict with other activities for your proposed dates at this location, and collaboration is not possible. Please submit a new permit application with alternative dates. The conflicting works are estimated to be completed on [XX/XX/XXXX]. [NAME] [Tel]
RC32	Timing of works	You have not specified the precise [Times/Days] that your work site(s) will be occupying the public highway. If you still plan to proceed with this activity, you must supply the necessary timing information. [NAME] [Tel]
RC33	Collaboration/coordination	Your works will conflict with other activities for your proposed dates at this location. Please confirm you can co-ordinate your works with the party who are (Name of Conflicting Promoter). If you still plan to proceed with this activity, you must submit a new permit application with alternative dates or an agreement of collaboration. The conflicting works are estimated to be completed on [XX/XX/XXXX] by (XXXXX promoter). [NAME] [Tel]
RC40	Lack of approval	This would include where TM approval has not been given, an early start has not been sought, the duration applied for is not viewed as acceptable or where the permit applied for does not reflect prior agreements made. Use this code for general lack of approval or the codes below for a specific issue.
RC41	Incorrect TM	You have not gained the relevant [TM plan/WAF/site meeting] (delete as appropriate) approval for these works. [NAME] [Tel]

Permit response code	Type	Description and suggested text
RC42	Early start agreement	No Early Start Agreement has [not been obtained/not been justified] for this activity. [NAME] [Tel]
RC43	S.58 restriction	This street is protected by a section 58 restriction. Please provided evidence that you have the relevant agreement to work within this restriction. [NAME] [Tel]
RC44	Duration	The duration is considered to be excessive/insufficient [delete as required] because [XX]. Please specify a duration not longer than [XX] working days. [NAME] [Tel]
RC50	Other	Any other reason not covered – As above you must clearly state the refusal reason – this category should be kept to a minimum otherwise the quality of the data can be diluted and made less useful in driving performance improvement.