



Surrey Lane Rental Scheme

Consultation Report

1 Lane Rental Scheme Consultation

1.1 Objective of the Consultation

1.1.1 In accordance with Guidance, any local highway authority making an application to the Secretary of State to run a lane rental scheme will need to have carried out a full consultation on the proposed draft scheme.

1.1.2 The Council undertook a consultation for a period of twelve weeks, between Friday 10th July 2020 and Friday 2nd October 2020.

1.1.3 The proposed scheme and supplementary documents were available for download on the Council's website and responses were submitted through this website. A set of questions related to a lane rental scheme were included on the website (as below), allowing people to choose a response to a question as well as a free text response.

1. Do you support the use of Lane Rental on the busiest roads at the busiest times as a way of planning roadworks?
2. Do you support the use of Lane Rental on the busiest roads at the busiest times as a way of managing roadworks?
3. Do you support the use of Lane Rental on the busiest roads at the busiest times as a way of reducing the potential impact of works?
4. Do you support the use of Lane Rental on the busiest roads at the busiest times as a way of encouraging different work behaviour to lessen the impact of works?
5. Do you consider that Surrey County Council should deploy all available legislative powers including lane rental to best manage works on the Highway to mitigate disruption/congestion?
6. Do you think the Surrey Lane Rental Scheme reflects the requirements of the Government Guidance?
7. Do you think the Surrey Lane Rental Scheme accurately reflects the requirements of the Street Works (Charges for Occupation of the Highway (England) Regulations 2012)?
8. Are you clear on which works are liable to Lane Rental charges as 'Specified works'?
9. Does the scheme document make clear the principle of WHEN (specified days, times and circumstances) Lane Rental Charges apply?
10. Does the schedule make clear the principle of WHERE (specified locations) Lane Rental Charges will apply?
11. Does the scheme document make clear the relationship between Lane Rental and the Surrey Permit Scheme?

12. Do you think the monitoring proposed for the scheme within the Lane Rental Evaluation Plan is adequate?
13. Are there any aspects of the Lane Rental Scheme which require further clarification?
14. Do you have any suggestions for improving the Surrey Lane Rental Scheme?

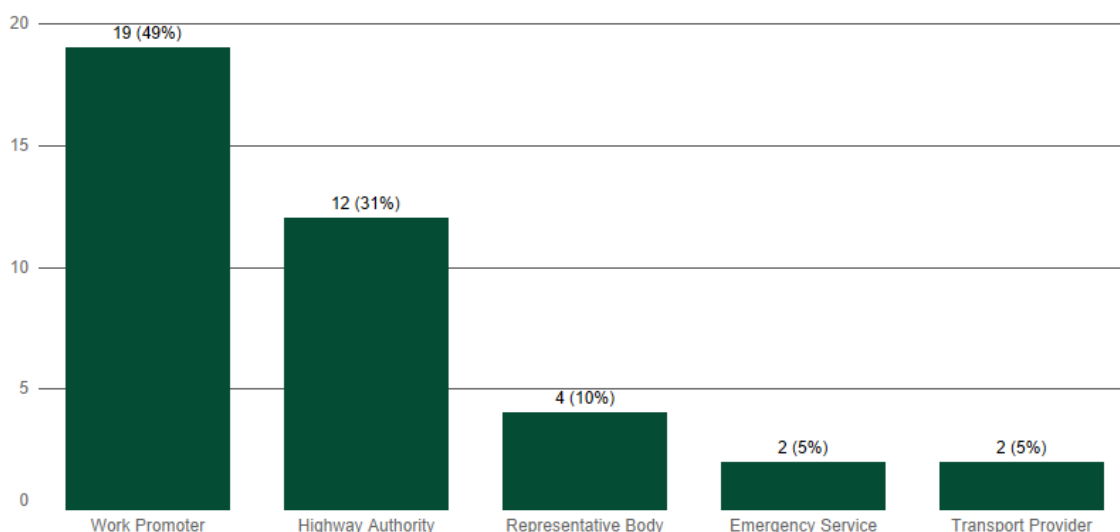
1.2 Summary of responses received

- 1.2.1 The responses received to the consultation fell into two distinct sentiments: those who supported a scheme, recognising the role of a lane rental scheme and the potential benefits to Surrey, and those who opposed a scheme. The latter formed mostly of Promoters and their representatives who would be impacted by the introduction of a scheme.
- 1.2.2 There were few comments on the actual scheme content, and as such only minor changes to the consultation version of the Scheme were made. Many of the comments supported the need for operational guidance, to clarify some of the related scheme processes or interpretation. The Council has committed to work with Promoter representatives to develop and introduce an operational guidance document before the scheme comes into operation.
- 1.2.3 The opposed comments essentially challenged the legitimacy or need for a lane rental scheme, suggesting that existing legislative powers could be used instead, and a lane rental scheme would not actually result in the expected benefits.
- 1.2.4 The Council gave due consideration to the challenges, using them as an opportunity to ensure the justification for the introduction of a lane rental scheme was valid. The Council does however recognise that the Secretary of State decides the validity of the proposed scheme and how it is applied within Surrey.
- 1.2.5 The next sections of this document outline:
 - i. The type of organisation who responded to the consultation;
 - ii. Responses to the consultation questions, by consultee type; and
 - iii. Key themes of responses received (paraphrased as required) from the consultation, and the Council's response to these.
- 1.2.6 A full list of the consultation responses and either a reference to the Council's response (in this document) or a separate response can be found in the supporting document **Surrey Lane Rental Scheme Consultation Responses**.

2 Results of the consultation

2.1 Organisations or individuals who responded

2.1.1 In total the Council received responses from 39 individuals or organisations - refer to graphic below for a breakdown of the consultee type and number. Responses were received from five different consultee types, the majority from Promoter organisations (49% of the total).



2.1.2 Below is a list of the individuals or organisations that responded to the consultation.

- Emergency Service**
 - Surrey Fire and Rescue Service
 - Surrey Police, Road Safety & Traffic Management
- Highway Authority**
 - Bracknell Forest Council
 - East Sussex Highways
 - Hampshire County Council
 - Kent County Council
 - Kingston Council (x2)
 - Richmond and Wandsworth Councils
 - Surrey County Council with Woking Borough Council
 - Surrey Heath Borough Council
 - Transport for London
 - Waverley Borough Council
 - West Sussex County Council

Surrey Lane Rental Scheme

Consultation Report (B1)



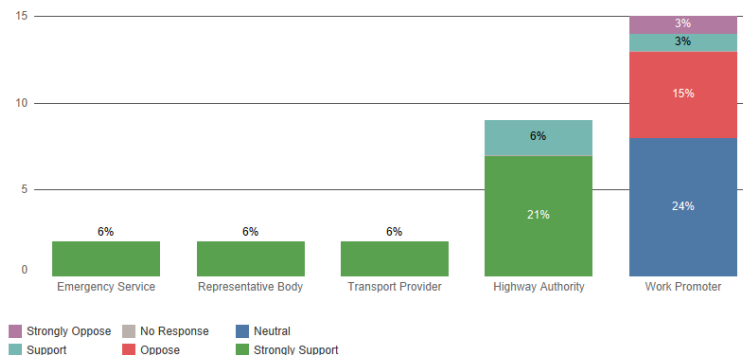
Representative Body	Environment Agency Member of Parliament (x2) Ofwat
Transport Provider	Gatwick Airport Ltd. Safeguard Coaches Ltd
Work Promoter	Affinity Water Dyer & Butler Ltd Gas Distribution Network Highways England Highways England - Area 4 Highways England - Area 5 Knights Brown Network Rail Openreach SES Water (formally Sutton and East Surrey Water) SGN South East Water South East Joint Utilities Group (SEJUG) Southern Water SSEN Thames Water UK Power Networks (x2) Virgin Media

3 Responses to consultation questions

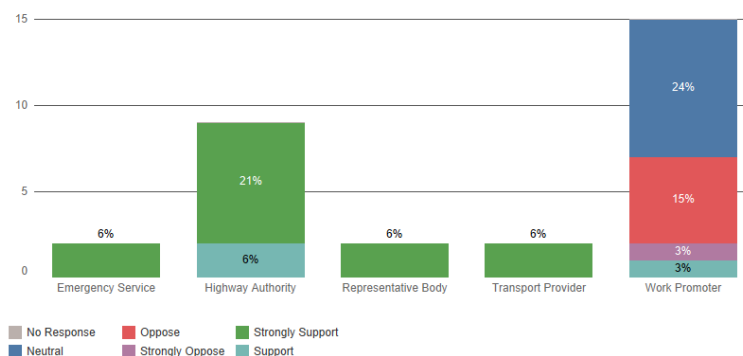
3.1.1

It should be noted that five of the organisations responded via email and not the consultation webpage. Therefore, no responses to the consultation questions were provided and these consultees have been removed from question analysis.

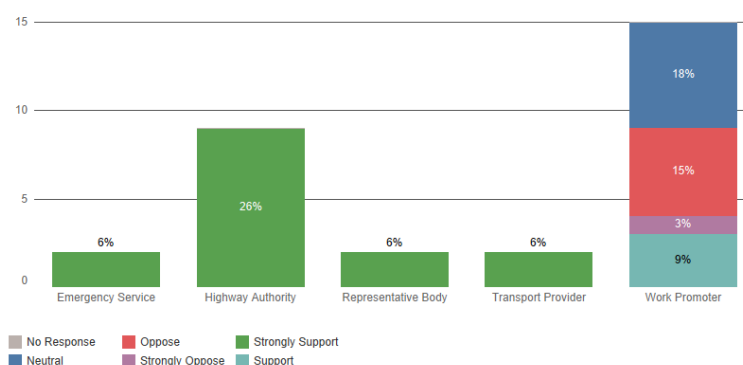
Do you support the use of Lane Rental on the busiest roads at the busiest times as a way of planning roadworks?



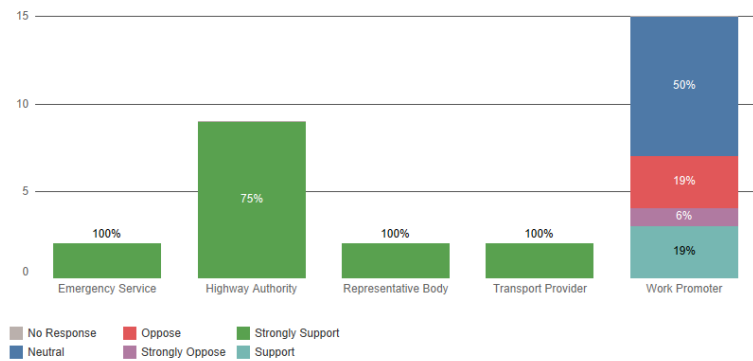
Do you support the use of Lane Rental on the busiest roads at the busiest times as a way of managing roadworks?



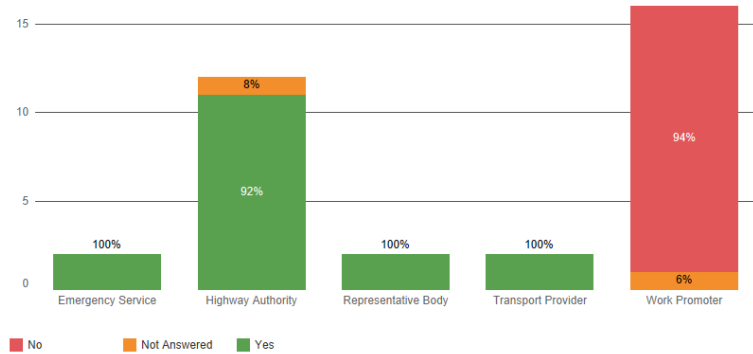
Do you support the use of Lane Rental on the busiest roads at the busiest times as a way of reducing the potential impact of works?



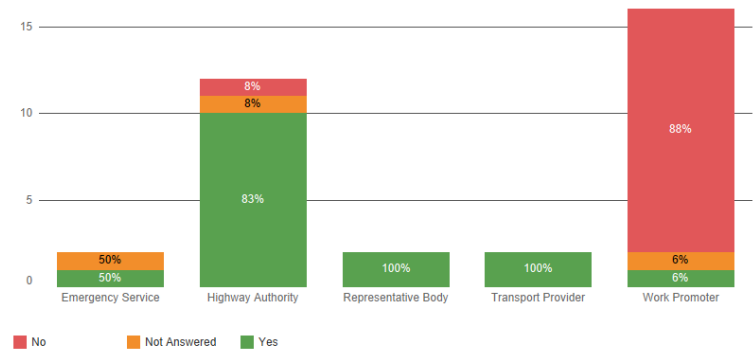
Do you support the use of Lane Rental on the busiest roads at the busiest times as a way of encouraging different work behaviour to lessen the impact of works?



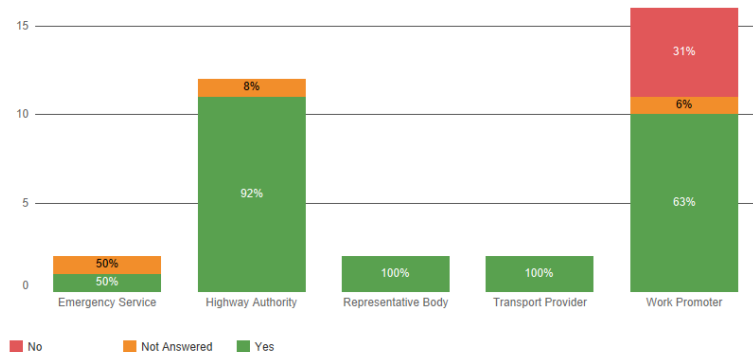
Do you consider that Surrey County Council should deploy all available legislative powers including lane rental to best manage works on the Highway to mitigate disruption/congestion?



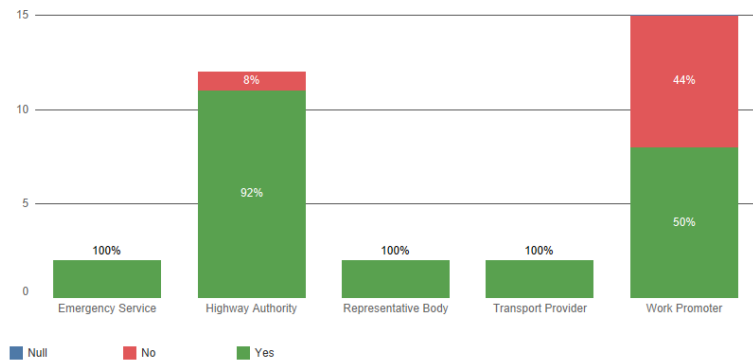
Do you think the Surrey Lane Rental Scheme reflects the requirements of the Government Guidance?



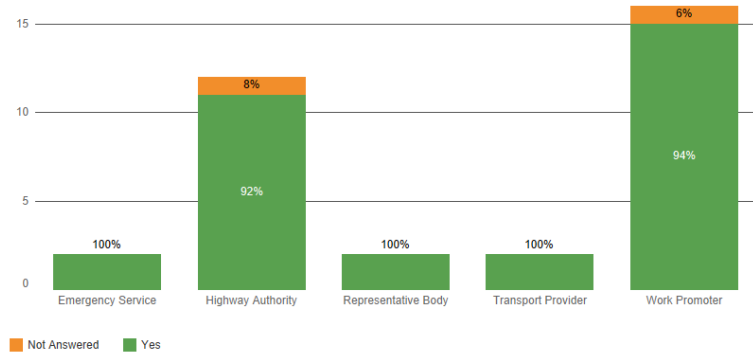
Do you think the Surrey Lane Rental Scheme accurately reflects the requirements of the Street Works (Charges for Occupation of the Highway (England)) Regulations (2012)?



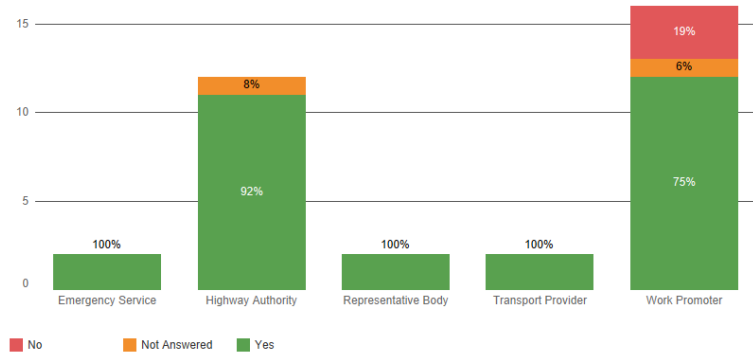
Are you clear on which works are liable to Lane Rental charges as 'Specified works'?



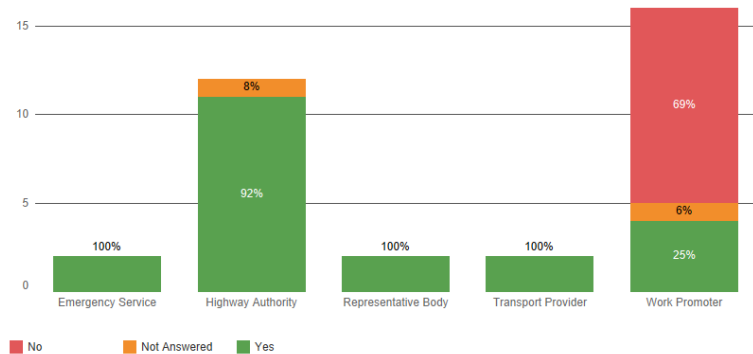
Does the scheme document make clear the principle of WHEN (specified days, times and circumstances) Lane Rental Charges apply?



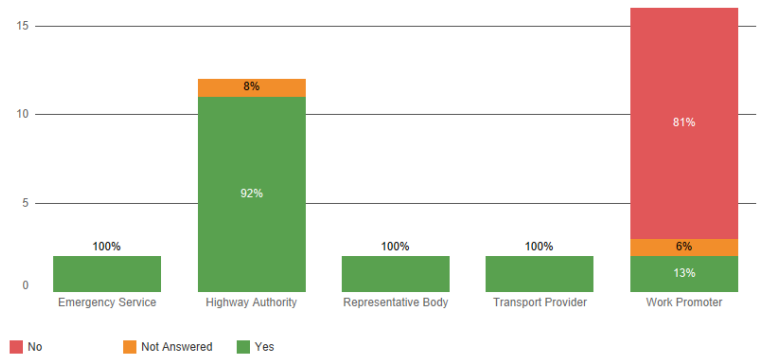
Does the schedule make clear the principle of WHERE (specified locations) Lane Rental Charges will apply?



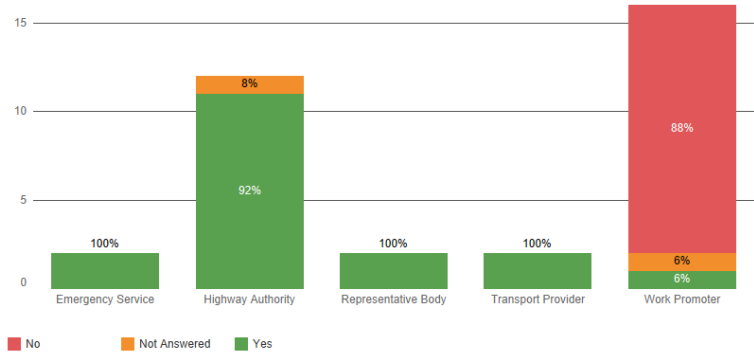
Does the scheme document make clear the relationship between Lane Rental and the Surrey Permit Scheme?



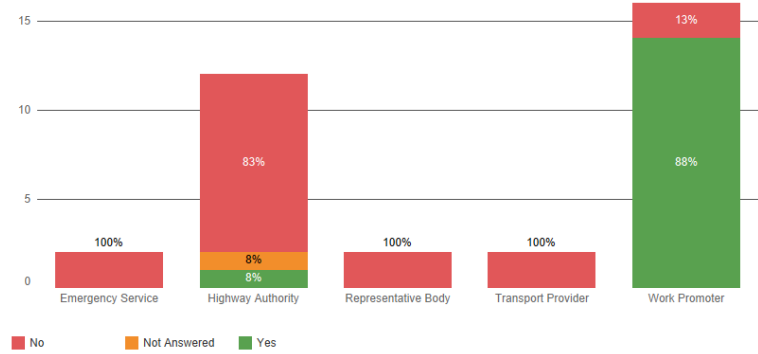
Do you think the monitoring proposed for the scheme within the Lane Rental Evaluation Plan is adequate?



Are there any aspects of the Lane Rental Scheme which require further clarification?



Do you have any suggestions for improving the Surrey Lane Rental Scheme?



4 Response Analysis (Key Items)

4.1 Support for a lane rental scheme

4.1.1 The following are direct responses received to the consultation in support of a lane rental scheme. Reference to specific organisations has been removed for consistency with other sections of this document.

- Roadworks can have a significant impact on passenger journeys to and from the airport and road disruption can have serious knock-on impacts to airport operations, airline schedules and, in turn, Gatwick's reputation as a world-class airport. The success of our collaborative approach to planning has been amply demonstrated by the recent M23 Smart Motorway Project, which successfully incorporated a range of local stakeholders to mitigate the impact of a major project.
- We recognise that Surrey use their existing powers effectively to manage their busy road network, but we would be entirely supportive of additional powers to assist them in enhancing their network operations. The proposal appears a well-developed, reasonable and proportionate scheme to ensure road users are not unduly impacted by works and would encourage more efficient use of the network.
- [The] Council has found its Lane Rental scheme to be invaluable in changing the way works are planned and implemented giving rise to less disruption on the network. The surplus revenue has been instrumental in funding innovation which has given positive tangible results.
- North West Surrey has some of the highest levels of road usage in the region, with delays across Surrey being consistently higher than in neighbouring counties. The proposals will support the existing permit scheme and encourage those undertaking street works to plan and manage roadworks to minimise the impact on our communities. Even this year we have seen examples of roadworks causing major delays on our core routes. To support our communities and our local economy we must improve our local infrastructure and reduce disruption.
- [The] Police support the introduction of the lane rental scheme for the following reasons.
 - Free flow of traffic especially through peak periods on strategic routes enhance Road Safety by preventing dispersal / deflection of traffic onto minor routes less capable of sustaining high volumes and therefore assists in managing demand on Police resources.
 - Public safety and reassurance around timely responses to emergency calls that can be affected by avoidable traffic congestion.
- The impact of roadworks - especially unplanned works - on scheduled local bus services is very significant and increase journey times and unreliability which in turn increases operating costs and makes the service offered less attractive.
- These powers will help incentivise Promoters to avoid creating congestion at peak times. Which should therefore help with [The] Fire and Rescue Service response times at peak periods.

- [The] Council considers that the Surrey scheme is a well thought out, efficient and targeted scheme that follows legislation and national good practice. [The] Council is currently developing its own LR [lane rental] scheme and we will be seeking to adopt similar processes and principles that are set out in the Surrey scheme.
- [The Authority] would like [to] emphasise our backing for what is a well-designed scheme and consultation package. The proposal to operate Lane Rental is especially welcomed given that Surrey's road network links directly with our own network at numerous points along the London/Surrey boundary and will therefore provide road users with continuous benefits.

4.2 Impact of lane rental

4.2.1 Lane rental will not result in the expected behaviour changes, especially for immediate unplanned works.

4.2.1.1 Experience from lane rental schemes already in operation demonstrate changes in working behaviour, with clear differences in the volume of works undertaken outside of peak times when compared to historic works (before the introduction of a scheme).

4.2.1.2 For immediate (emergency and urgent) works, it is accepted that by their nature these works are unplanned. The proposed lane rental scheme provides an initial period of two days without charge to allow for initial fault finding and fixes, with financial incentive to complete and clear works in an optimum time following this period.

4.2.1.3 The Council believes that not all works on the most congested routes are currently completed to the optimum duration, creating further un-necessary congestion. However, however should a Promoter be unable to clear site because of circumstances outside of their control and can demonstrate that the optimum work duration is being achieved, then the Scheme does give the option for the Council to apply further discounts and/or waive a charge. These instances will be reviewed on a case-by-case basis and the onus is on the Promoter to evidence the circumstances outside of their control or how the optimum works duration is being achieved, thus avoiding any un-necessary congestion

4.2.2 There is minimal evidence to suggest lane rental reduces the impact of works.

4.2.2.1 The evaluation of the two pioneer lane rental scheme (Transport for London and Kent County Council) commissioned by the DfT in 2015ⁱ determined that *“the two pioneer schemes appear to have been successfully implemented and effectively function as an extension of existing permit schemes, and although there is currently no proof of causality, monitoring data from both KCC and TfL appears to show that the schemes have been successful in reducing disruption in the scheme areas, and the associated costs of congestion.”*

4.2.2.2 On the basis of this evaluation, the Government provided *the power for local highway authorities to implement and operate a lane rental scheme in England [is] subject to the approval of the Secretary of State.*

- 4.2.2.3 The supporting Guidance document states “*the Government considers that well-designed and well-targeted lane rental schemes, which need to be focused on the most critical parts of the highway network and with charges applying only at the busiest times, should encourage those undertaking works (including highway works) to carry out their works in a less disruptive manner.*”
- 4.2.2.4 Further evidence from both Transport for London and Kent County Council operational evaluation reportsⁱⁱ suggests that a lane rental scheme **does reduce the impact of works.**
- 4.2.3 Lane rental is likely to have a disbenefit where duration of works increase as works could take longer due to working off-peak only to avoid charges. Works will take longer through reduced works or night working.
- 4.2.3.1 The Council accepts a potential disbenefit of longer durations at off-peak times but believes the positive benefits of works not taking place at peak times on already heavily congested sections of the network strongly outweighs the potential disbenefit of extended works at off-peak times
- 4.2.3.2 The lane rental timings provide many opportunities to undertake works during the day, outside of peak times, as an alternative to working at night.
- 4.2.4 A lane rental scheme will increase costs for Promoters.
- 4.2.4.1 By comparing any potential increased cost for Promoters to the societal cost impact of works, the cost-benefit-analysis demonstrates a clear value for society.
- 4.2.4.2 The proposed lane rental scheme includes many opportunities to avoid charges or receive a discounted charge, whilst allowing works to be undertaken during recognised working hours.
- 4.2.5 Promoters may choose investment in other areas of their network as the *full capital expenditure can be used on their asset to the benefit of all.* A lane rental scheme will risk causing delays or postponement of planned infrastructure works.
- 4.2.5.1 The Council hopes that any Promoter’s current asset management regime and strategy would not be compromised by regulatory powers used to minimise the societal impact of their works.
- 4.2.5.2 The scheme provides a discount for Major infrastructure improvement (section 5.4.3) and collaboration between promoters for these works (section 5.4.5).
- 4.2.6 Lane Rental costs for major infrastructure works may prohibit works taking place and impact on future investment from central Government.

- 4.2.6.1 In consideration to government funding for infrastructure schemes and local enterprise partnerships (LEPs) the key priorities for these align closely with the objectives of the Council's statutory network management duty, such as economic growth and job creation within a local area.
- 4.2.6.2 Delivery of these works to an optimum timeframe is key to ensure their impact does not create a negative disbenefit. Whilst the delivery of these works may result in lane rental charges, any scheme surplus from these charges will be used to fund areas of positive network management, which will additionally benefit the local area in line with Government funding policies.
- 4.2.6.3 There is no evidence from either the Kent Lane Rental Scheme or TFL Lane Rental Scheme to suggest that government funded infrastructure projects have been impacted from the introduction of a lane rental scheme.
- 4.2.7 There is potential for complaints due to noise pollution from nearby residents if works have to be done out of hours.
- 4.2.7.1 The lane rental scheme provides periods during the day to undertake works without charge.
- 4.2.7.2 The Council works closely with Environmental Health Officers in District and Borough Councils across Surrey to ensure noise pollution from works is considered and controlled.
- 4.2.7.3 The Council hopes that monies available from surplus funds can be used to find more innovative ways to undertake works, which could include methods for night works to minimise the impact of noise, *such as acoustic boards*.

4.3 Existing powers for network management

- 4.3.1 Existing legislative powers, e.g. permit schemes, provide sufficient network management controls and a lane rental scheme is not required.
- 4.3.1.1 Whilst Surrey fully utilises existing regulatory powers, they do not drive the required culture and behaviour changes expected from a lane rental scheme.
- 4.3.1.2 Current powers do not provide the same influence in the planning of works to achieve the optimum schedule for work delivery. The Council can agree a reasonable duration with the Promoter, and apply conditions to the work, however they cannot directly influence the planning and execution of the works to ensure any impact is kept to **an absolute minimum**.

- 4.3.1.3 Over recent years, the Council has applied significant NRSWA penalties to Promoters for failing to meet statutory arrangements, but this has not seen systemic behaviour changes. Penalties are applied **after** the event when the societal impact has already occurred. In some cases, it seems more cost-effective for the Promoter to risk penalties or avoidance instead of changing ways of working.
- 4.3.2 There is no evidence that a lane rental scheme provides more benefits than a permit scheme. If there is a well-run permit scheme, a lane rental scheme is not required.
- 4.3.2.1 Both Transport for London and Kent County Council operate a permit scheme, and evidence from both Authorities suggest that a lane rental scheme **does further** reduce the impact of works.
- 4.3.2.2 A lane rental scheme extends the capability of a permit scheme, providing a financial incentive to minimise the impact of works on the most congested section of the network. A permit scheme provides a framework for a lane rental scheme and Guidance states that the “*Secretary of State's approval [for a lane rental scheme] would be subject to certain conditions ...and Authorities would need to have a well-run permit scheme.*”
- 4.3.3 The lane rental scheme is doing the same *job* as a permit scheme, but with additional charges.
- 4.3.3.1 Agreed. A lane rental scheme will support the Council to deliver their statutory network management duty, providing the same outcome: to reduce impact of works and *secure the expeditious movement of traffic.*
- 4.3.3.2 The additional charges should serve as an incentive to achieve more and better outcomes and reduced disruption.
- 4.3.4 How well is the current permit scheme working and where is the evidence to demonstrate this?
- 4.3.4.1 The Surrey Permit Scheme has been operating for over six years and is achieving continued success. Published reports demonstrate this success, providing evidence and also highlighting the relative limitations of a permit scheme and the further value a lane rental scheme will have.
- 4.3.5 How does a lane rental scheme complement the permit scheme?
- 4.3.5.1 A permit scheme provides a framework for a lane rental scheme and will complement the scheme by providing financial incentive not available in a permit regime.

- 4.3.5.2 The Council can agree a reasonable duration for a permit, but only the Promoter can change working practices and behaviour to find the optimum duration. The delivery and handover during works, *especially between specialist teams or different contractors*, can only be controlled by the Promoter, not the Council.

4.4 Cost-Benefit Analysis (CBA)

- 4.4.1 The CBA does not follow the DfT's advice and suggested calculations.
- 4.4.2 A technical approach for the development of the CBA has been reviewed and agreed with the DfT. The development of the CBA has followed this approach and also WebTAG – transport appraisal guidance.
- 4.4.3 The CBA is not based on the Surrey area, using archive data with reference to the Transport for London scheme and associated assumptions.
- 4.4.4 The CBA was developed using specific data for Surrey, including QUADRO models, traffic flow and count data, traffic speed data, historic works data and network composition to provide an appraisal specific to Surrey and its road network.
- 4.4.5 Assumptions made in the volume of reductions from a lane rental scheme are incorrect.
- 4.4.6 Whilst the Council accept that the assumptions are based on estimates, these are deemed to be realistic targets and have been prepared in consideration to evidence available from existing lane rental schemes.
- 4.4.7 The CBA does not take account of actual costs for the Promoter to undertake work to avoid the lane rental charges.
- 4.4.8 Estimated costs are included in the CBA.
- 4.4.9 During the development of the CBA, the Council requested any information or supporting data from Promoter utility representatives, including the trade association representing utilities and their contractors (Street Works UK). No information was provided and therefore assumptions had to be made for these estimates. These are clearly set out within the CBA.
- 4.4.10 Future traffic patterns and changes to these, including the impact of COVID-19, are not taken into consideration for the CBA.
- 4.4.10.1 The Council has closely analysed travel activity changes as a result of the COVID-19 pandemic, and research shows that traffic volumes are returning to pre-COVID-19 levels. Sections of the network experiencing the heaviest congestion are considered unlikely to have materially changed.
- 4.4.10.2 Reduced traffic levels are, however, likely to be a temporary phenomenon and a return to pre-COVID-19 levels of congestion remains the most likely outcome in the medium to long term. There is no direct evidence to suggest that a longer-term affect to travel patterns will remain post-restrictions.

- 4.4.10.3 It could be suggested that the volume of travellers using their car, instead of taking public transport or sharing vehicle use, may actually increase as restrictions remain and the country tries to return to normality.

4.5 Lane rental scheme Specified Works

- 4.5.1 Confirmation that working on a footway using the carriageway for a temporary walkway will incur a lane rental charge.

- 4.5.1.1 Section 3.4 of the lane rental scheme states the specified locations where lane rental, and therefore a charge will apply. Section 5.1.2 confirms that lane rental charges will only apply when any form of traffic control is deployed on the **carriageway**.

- 4.5.2 The legislation does not apply to works for road purposes and therefore no charges should be applied to Promoters undertaking these works.

- 4.5.2.1 The scheme will come into legal effect through a statutory instrument made by the Secretary of State.

- 4.5.2.2 Whilst the Council recognises that the regulations are for ‘street works’, the DfT Guidance is clear that “*the Secretary of State’s approval [for a lane rental scheme] would be subject to certain conditions – this includes schemes would apply to a local authority’s own works in the same way as is the case with the existing lane rental schemes in Kent and London.*”

- 4.5.3 Specified Works relate to those defined in the permit scheme, as registerable works, which no longer include those that solely involve the use of temporary traffic control (as defined in the updated Code of Practice for Coordination).

- 4.5.3.1 The changes referred to in the Code of Practice are not statutory at present.

- 4.5.3.2 The Council recognises that continued review and development of industry statutory guidance, *such as codes of practice*, may result in changes across several references. The Council will ensure all statutory instruments are varied when required.

- 4.5.4 Diversionary works should be included within the scheme as they are *just as disruptive on the main route identified in the scheme*.

- 4.5.4.1 Diversionary works are classed as works for road purposes, and therefore do fall within the scope of the Scheme.

4.6 Lane rental network (Schedule)

- 4.6.1 The proposed lane rental network does not meet DfT Guidance of 5% (of the network) and no reasoning has been provided as to why 7.5% has been chosen.
- 4.6.1.1 DfT guidance does provide for a Council to justify a larger percentage of the network to be covered by Lane Rental. Reasoning has been provided in the supporting documents, including the cost-benefit analysis, for this size of lane rental network.
- 4.6.2 There is no evidence that prior approval (from the DfT) for 7.5% network coverage for a lane rental network has been provided.
- 4.6.2.1 Prior approval from the DfT was not required for consultation.
- 4.6.3 Surrey is *mostly rural* and cannot justify applying the lane rental network to more than 5% of its network.
- 4.6.3.1 Although Surrey does have large rural areas, it also heavily urbanised in parts and is one of the most congested areas in the South East. As shown within the DfT published road lengthsⁱⁱⁱ the network comprises 59% urban principal and minor roads. Surrey has the highest proportion of urban roads of any Shire county,
- 4.6.3.2 Using the published data, analysis of the congestion across Surrey shows that the network experiences greater levels of congestion than neighbouring authorities in the south east region. According to DfT data, the average delay on locally managed A roads in Surrey stands at 44 seconds per vehicle mile, which is 25% higher than the average for the south east region as a whole.
- 4.6.3.3 The Council's own analysis of congestion experienced across the locally managed network finds that motorists in Surrey lose an average of 60 hours per year to congestion. This equates to more than 40 million hours per year lost in total within the county, at a cost of £630 million per year.
- 4.6.3.4 The Council can justify the selected lane rental network both economically and in consideration to the negative impact works have across the network.
- 4.6.4 The scheme document allows for an increase of an additional 3%, thereby making the potential lane rental network 10.5% of the network. What constitutes a minor variation to the Lane Rental Scheme Schedule?
- 4.6.4.1 As outlined within section 7.3.1 of the Scheme, over time, the demands of the network may change, making areas become more or less congested, thereby changing the need to apply or disapply lane rental on a street.

- 4.6.4.2 The extent of these changes is limited within section 7.3.2 of the scheme. To suggest an increase to 10.5% of the network is an incorrect interpretation of section 7.3 of the proposed lane rental scheme. This sections states “*any changes ... will not vary the **total overall length of the specified locations covered by the Scheme** by more than plus or minus three percent.*”
- 4.6.5 There is no reference to cycle lanes in the document, so clarification is required on whether these are included in the scheme.
- 4.6.6 A cycle track may form part of the carriageway and therefore could be subject to lane rental if the street is a specified location. The type of traffic control required would dictate whether lane rental charges would apply – refer to section 5.1.2 of the Scheme – in accordance to the Code of Practice: Safety at Street Works and Road Works.
- 4.6.7 On a wider principle, the current lane rental proposals reflect the Council’s current network management pressures and priorities. Looking ahead, the Council needs to consider the latest UK Government local transport note on encouraging cycling as part of a sustainable transport infrastructure.
- 4.6.8 As the Council further develops its sustainable transport strategy, if any network priorities change, then there may be a need to revisit the principles of lane rental operation, as TfL has recently done.
- 4.6.9 It is strongly recommended that Surrey consider applying lane rental to the footway to *support active travel and pedestrian movement being disrupted at peak periods.*
- 4.6.9.1 At this time, the Council consider lane rental to be only warranted on the carriageway.

4.7 Lane rental timings

- 4.7.1 The traffic-sensitive times are very simple and not always reflecting the differing pressures and nature of the road network in Surrey.
- 4.7.1.1 Although the timings appear *simplistic*, extensive analysis and consideration has gone into selecting these on a street-by-street basis.
- 4.7.1.2 Using detailed congestion analysis, periods of AM peak, inter-peak and PM peak were classified for congestion impact, which were used to determine when lane rental should apply.
- 4.7.1.3 It should be noted that a street can only be designated as lane rental if it also designated as traffic-sensitive with at least two regulatory criteria^{iv}. There is no direct link between traffic-sensitivity criteria and congestion measurement (for lane rental) which therefore can provide further limitation as to the timings of lane rental.

- 4.7.1.4 From an operational perspective it was deemed more appropriate to have a more systemic approach to lane rental timings across the County to aid coordination and compliance to lane rental. Having a multitude of different timings across the network would lead to operational inefficiencies, potentially increasing the administrative cost of the scheme for both the Promoter and the Council.

4.8 Lane rental charges

- 4.8.1 The proposed charges should reflect different sections of the network and the economic impact of works on a street, not a simplistic approach to apply one charge across the entire county.

- 4.8.1.1 Although the application of charges may appear *simplistic*, extensive analysis and consideration has gone into the level of charges.

- 4.8.1.2 The analysis showed that 94% of the historic works undertaken in 2019 on the proposed lane rental network involved a positive form of traffic control using either a road closure, lane closure or portable traffic lights. If undertaken at peak times, these works had an estimated average daily impact cost (to society) of over £2,500. These (societal impact) figures do not vary seasonably, nor do they vary by specific geographic area, therefore, to impose a bespoke charging regime street-by-street would be not only impractical, but unnecessary.

- 4.8.1.3 As the maximum allowable lane rental charge is £2,500 by statute, it is not relevant to identify a lower proportionate fee for different sections of the Surrey network. If the maximum charge was for example £25,000 (i.e. greater than the illustrated range of average daily impact cost to society) then a range of proportionate fee level, below the maximum allowed, could be proposed depending on the estimated works impact for that specific street or section of the network.

- 4.8.1.4 To achieve a balance between a financial incentive and the cost impact of works for works involving a lane closure, the Council has opted for a lower charge of £1,500

- 4.8.2 The charges should be higher at the busiest times of day/week/year to incentivise Promoters to avoid these times.

- 4.8.2.1 The lane rental charge is a daily charge, not an hourly charge, and therefore the specified days and times set out when lane rental will apply, not a charge level at varied times.

- 4.8.2.2 Surrey does not have sections of the network affected greatly by seasonal trends, as would be seen in other areas, such as Kent with their coastal tourist hotspots.

- 4.8.3 There are many reasons why sites are left unoccupied, where works cannot take place, such as for concrete curing, inclement weather or for safety reasons – a Promoter should not be penalised in these instances with a lane rental charge.

- 4.8.3.1 Section 5.4.2 of the Scheme states *further discounts [reduced or waived charge] may be considered for any works on a case-by-case basis*. If a Promoter can demonstrate they have sought optimum timing for the delivery of the work and other external factors outside the control of the Promoter have impacted these timescales, then they can discuss this case with the Council.

4.9 Avoiding lane rental charges

- 4.9.1 A significant proportion of works are reactive and we [work promoter] must attend to complete repairs, which may not allow us to avoid a lane rental charge.

- 4.9.1.1 For immediate works, lane rental charges only apply **on and from the third calendar day of work**. Analysis of works undertaken on the proposed lane rental network in 2019 shows that 39% of immediate works are undertaken within two days, and a further 11% within three days.

- 4.9.1.2 As demonstrated by the lane rental scheme in Kent, the average duration of immediate works streets with lane rental fell by around one day in duration. The Council believes this demonstrates that Promoter can find efficiencies within their work delivery to ensure durations are reduced, *for example by ensuring reinstatement is complete and the site cleared as soon as possible after a fault is found and fixed*.

- 4.9.2 The waiver for the initial 48 hours for immediate works should be extended to five days to allow for repairs to services, such as electricity repairs, that typically have a longer average duration.

- 4.9.2.1 The Council would like to see a Promoter demonstrate that they are reducing any possible inefficiency in their work delivery system and that the optimum timescale is being achieved. Experience shows that often sites are left unoccupied for several days, typically awaiting the next stage of work, and an optimum work period has not been achieved.

- 4.9.3 It's not practical to work solely during the off-peak hours allowed as this will only increase the average duration for planned works.

- 4.9.3.1 The lane rental timings allow the following charge free periods for works with durations of two days or less, which account for 34% of planned works in 2019:

- 6 hours Monday to Friday, between 10:00 – 16:00
- 12 hours Monday to Friday between 19:00 – 07:00
- 60 hours (2.5 days) between 19:00 Friday and 07:00 Monday.

4.9.3.2 Extended durations, outside of peak times, is an accepted disbenefit of a lane rental scheme when compared to the benefit of avoiding works at peak times. However, as demonstrated by schemes in London and Kent, the Council expects Promoters to improve working practices to reduce work duration in instances when they cannot complete all works outside of peak times.

4.9.4 We have been charged extortionate and unjustifiable amounts by other Councils for accidentally leaving a cone on the verge, which had no consequence.

4.9.4.1 The proposed lane rental scheme is clear that charges will only apply to works on the carriageway and when any form of traffic control is deployed on the Highway. In the instance of a cone being left on a verge or even on a carriageway, not impacting the flow of traffic, then no charges will apply.

4.10 Use of surplus revenues

4.10.1 Clarity is required on where will the surplus revenues be spent and how these will be distributed?

4.10.1.1 As set out within section 7.2 of the proposed lane rental scheme, a joint working arrangement will be established, and the application of any surplus revenues will be in accordance with published guidance.

4.10.2 The scheme does not comply with the regulations in the use of surplus funds.

4.10.2.1 The Council disagrees with this statement and section 7.2 of the proposed lane rental scheme conforms to the appropriate regulations.

4.10.3 Surplus revenue should not be used to provide training to Council staff.

4.10.3.1 This is clear within Guidance which states, “*surplus revenue should not be used to provide for training of the local authority staff*” and the Council will operate the Scheme in line with Guidance.

4.11 Scheme discounts

4.11.1 The scheme does not promote a reduced charge for innovation or collaborative works.

4.11.1.1 Section 5.4 of the proposed lane rental scheme consulted upon **does already** include a reduced charge, by way of a discount, for collaboration. Post consultation an additional section to the Scheme document specifying a similar discount opportunity for innovation has been added.

4.11.2 Promoters should be able to negotiate and agree discounts upfront (before works start).

- 4.11.3 Agreed. It is expected that where applicable any discount is discussed and agreed before works start. Such mechanisms can be jointly developed in Operational Guidance.
- 4.11.4 How is the level of discount determined and by who? Discounts should be standard and not based on a *downward scale*.
- 4.11.5 Discounts will need to be considered and applied on a case-by-case basis to ensure there is balance for mitigating the impact of works and also the charge.
- 4.11.6 For collaboration, Surrey should take the lead to promote this, and how will this be applied?
- 4.11.7 The Council will promote opportunities for collaboration and where possible seek to bring Promoters together to discuss arrangements. Ultimately the Council cannot force Promoters to collaborate and will have to rely on the desire of the promoters to find ways to successfully collaborate wherever possible, in order to achieve the discounts available.
- 4.11.8 Experience shows that achieving collaboration between Promoters is not an easy process, and it is hoped that the lane rental scheme and the incentive of a discount will help with this process and agreement between promoters.
- 4.11.9 Basing discounts on performance, such as sample inspections, can lead to difference of opinion and a disproportionate application between promoters who undertake more works than others – how will these issues be resolved?
- 4.11.10 There was an overall objection to the proposed discount related to inspection results (section 5.4.9) and as such this has been removed from the next iteration of the Scheme.
- 4.11.11 Further definition is required for ‘significant highway infrastructure improvements.
- 4.11.12 The definition in Section 5.4.4 has been amended. Further criteria will be defined in operational guidance, consideration will be given to items involving funding from central government, or recognised infrastructure projects, e.g. *Crossrail2* .

4.12 Scheme evaluation

- 4.12.1 There is no defined evaluation plan, to monitor the scheme and this requires further clarity.
- 4.12.2 A draft Evaluation Plan has been prepared and will be submitted to the Secretary of State as part of the application. Once the scheme is approved this Plan will be issued for reference.
- 4.12.3 Performance indicators need a *starting point* with a *value* for each indicator.
- 4.12.3.1 Agreed. An Evaluation Plan will set out these performance indicators, where relevant, and any targets.

4.13 Scheme governance

4.13.1 Set up of a Governance Group is part of statutory guidance and no representatives have been approached yet for the set-up of this.

4.13.1.1 Establishing a Governance Group during the consultation stage was deemed premature.

4.13.1.2 Should the Council receive a positive decision from their application (to the Secretary of State), a Governance Group will be established in due course

4.14 Operational guidance

4.14.1 Operational guidance was not included as part of the consultation.

4.14.1.1 It was not appropriate to include a draft operational guidance with the consultation of the Scheme. This will be developed in collaboration with Promoter representatives prior to the operation of the Scheme, should the Council receive Secretary of State approval.

4.14.2 Operational guidance is not enforceable and should be part of the scheme document itself.

4.14.2.1 Operational guidance cannot supersede the scope of the scheme and is intended to provide *guidance*. As the document will be subject to variation as the operation of the scheme progresses it is not appropriate for it to be part of the scheme and therefore the statutory instrument.

4.15 Operational issues

4.15.1 The national street gazetteer has not been fully updated (with lane rental information).

4.15.1.1 It would not be appropriate to update the national street gazetteer until the lane rental scheme has been agreed and is due to come into legal effect.

4.15.2 Lane rental data should be shown on the national street gazetteer (NSG) additional street data (ASD) and made easily available on multiple platforms, such as one.network.

4.15.2.1 Agreed. The Council will ensure that the national street gazetteer is updated with the correct information at the appropriate time, and whilst we are not responsible for content of other third-party systems, such as one.network we will endeavour to work with such parties so that Lane Rental information is readily available on such platforms.

4.15.3 Further clarification is required on remedial works and what situations a full charge will, or will not, be applied.

- 4.15.3.1 Refer to section 5.5 of the Lane Rental Scheme for clarification. When developing the Operational Guidance, Surrey will consider scenarios from the Promoter that might warrant any reduction in charge.
- 4.15.4 Within Street Manager there is a lane rental assessment function which can be utilised – confirm this is going to be used.
- 4.15.4.1 The Council currently use an API (application programming interface) link between their works management system and Street Manager. Prior to operational use the Council will need to consider how to use the functionality within Street Manager. The Council also needs to consider how any Promoter also interfaces with Street Manager to ensure any operational process is visible to all parties and as efficient as possible.
- 4.15.4.2 The 'lane rental assessment' is not a prescribed process under regulations or statutory guidance.

ⁱ Street Works Lane Rental Evaluation. A report to the Department for Transport by Ecorys with input from TJH Consulting. December 2015

ⁱⁱ Benefits of the Transport for London Lane Rental Scheme November 2016 and Monitoring Reports for April 2015 to March 2016, 1 April 2016 to 31 March 2017, 1 April 2017 to 31 March 2018, 1 April 2018 to 31 March 2019. Kent Lane Rental Scheme: 12 Month Progress Report 1 June 2014 to 31 May 2014.

ⁱⁱⁱ <https://www.gov.uk/government/statistics/road-lengths-in-great-britain-2019>

^{iv} The Street Works (Registers, Notices, Directions and Designations) (England) Regulations 2007, section 16.