



SURREY
COUNTY COUNCIL

Consultation Version

Surrey Lane Rental Scheme



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Surrey Lane Rental Scheme

Version C2



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1 Introduction

- 1.1.1. The county of Surrey has a population of 1.144 million and with an area of some 1,670 square kilometres, is one of the most densely populated counties in England. The County comprises 3,449 miles of maintainable roads, with the majority of these under the maintenance and management of the Council, acting as a highway authority.
- 1.1.2. Under the Traffic Management Act 2004 the Surrey County Council, referred to as the Council, has a statutory Network Management Duty requiring them to *secure the expeditious movement of traffic on the authority's road network*.
- 1.1.3. Most of the county is rural, however it also contains large urban areas mostly concentrated in the north of the county where it adjoins the London conurbation. Due to Surrey's location next to London, and the proximity of both Heathrow and Gatwick airports there is considerable demand for movement across the County.
- 1.1.4. Surrey suffers from the same congestion issues as its neighbouring London conurbations along the northern boundary of the County and elsewhere, suffers congestion during peak periods and at congestion hotspots. Levels of congestion can rapidly rise when either incidents occur, or traffic flow is disrupted.
- 1.1.5. The Council's approach to managing the road network is set out in the **Surrey Transport Plan**, available on the Council's website www.surreycc.gov.uk/roads-and-transport.
- 1.1.6. The **Congestion Strategy**, part of the Surrey Transport Plan, sets a focus for the Council to improve the reliability of journeys and reduce delays for all transport modes on key routes and congestion hotspots.
- 1.1.7. The solution to provide additional capacity for traffic is not considered the best option to tackle congestion. Instead a mix of solutions are needed. The Council's Congestion Strategy recognises the role of effective network management, to
- being proactive in planning major works and working closely with partners on such projects;
 - influencing the length of time works take;
 - increasing the use of technology and processes to assist in the planning and coordination of roadworks.
- 1.1.8. In November 2013, the Council introduced the **Surrey Permit Scheme** which has improved the Council's ability to reduce disruption from works.
- 1.1.9. A **lane rental scheme** is designed to work in conjunction with a permit scheme to complement the powers provided within this scheme through a charging regime for works taking place on the most congested section of the network at peak times.
- 1.1.10. The **Surrey Lane Rental Scheme**, referred to as the Scheme, operated under the powers of the New Roads and Street Works Act (1991) (NRSWA) has been introduced to enable the Council to fulfil their statutory duty to coordinate and manage works on the highway in order to minimise any related disruption from these works .

2 Objectives and Principles

- 2.1.1. The New Roads & Street Works Act 1991 (NRSWA) contains provision in Section 74a for highway authorities to operate schemes that involve charging Promoters for the time their works occupy the highway (as a daily charge).
- 2.1.2. The Government considers that well-designed and well-targeted lane rental schemes, focused on the most critical parts of the highway network and with charges applying only at the busiest locations at traffic sensitive times, should encourage those undertaking works to carry out their works in a less disruptive manner.
- 2.1.3. Where appropriate and consistent with protecting public safety, a lane rental scheme could provide real financial incentives that encourage Promoters to:
- reduce the length of time that sites are unoccupied, hence reducing total works durations;
 - improve planning, coordination and working methods to maximise efficiency;
 - carry out more works outside of peak periods, reopening the highway to traffic at the busiest times and/or making greater use of evening or weekend working where the local environmental impact is acceptable;
 - optimise the number of operatives on site to enable works to be completed as quickly as possible;
 - complete works to the required standard first time, reducing the need to return to the site to carry out further works
- 2.1.4. The following principles will apply when operating the Scheme and in making decisions related to the development of the Scheme:
- working with all parties operating within the Scheme to ensure there is an open approach to meeting the objectives of the scheme;
 - driving performance and leading the industry through new ideas and best practices;
 - taking a practical and reasonable approach to decision making and any disputes that arise;
 - maintaining a level playing field for all Promoters and demonstrating parity-treatment; and
 - providing transparency to the success and governance of the scheme.

3 Scope of the Scheme

3.1. Principle

- 3.1.1. The scope of the Scheme has been designed to meet the objectives and principles of a lane rental scheme and in accordance with **The Street Works (Charges for Occupation of the Highway) (England) Regulations 2012**.
- 3.1.2. The Scheme will apply a lane rental charge when a Promoter undertakes work on the highway during traffic sensitive times on those streets to which the Scheme applies.
- 3.1.3. The Scheme provides incentives through charge exemptions and discounts to encourage the planning and subsequent undertaking of works to have a less disruptive impact to the highway.

3.2. Promoters

- 3.2.1. The scope of the Scheme applies to any person or organisation who commission or promote **specified works** on the highway.

3.3. Specified Works

- 3.3.1. The Scheme applies to Specified Works that include:
 - i. works that require a permit under the Permit Scheme, that are **street works** and **works for road purposes**;
 - ii. works that are executed under a NRSWA Section 50 licence; and
 - iii. works that are executed under an agreement pursuant to section 278 of the Highways Act 1980.

3.4. Specified Location

- 3.4.1. The lane rental scheme will only apply to a street that is publicly maintainable by or on behalf of the Council which is a protected street or a traffic-sensitive street.
- 3.4.2. The Scheme will only apply at **specified locations** as detailed within the **Schedule**. Streets not identified within the **Schedule** as a specified location will be exempt from the Scheme and therefore any charges.
- 3.4.3. The Scheme does not apply to works that are carried out in a footway, bridleway or verge of a specified location, except where any form of traffic control is deployed on the carriageway.
- 3.4.4. Specified locations may be the whole or part of the street and subject to **specified days and times**.

3.5. Specified Days and Times

- 3.5.1. Subject to a street being a Specified Location, lane rental will apply at times specified in the **Schedule**.
- 3.5.2. These times will be limited to when a street is designated as traffic sensitive, including weekends and Bank Holidays – except for Christmas Day and Boxing Day. The traffic sensitive times on a Bank Holiday will be the same as those for a Sunday at that location.

3.6. Street data

- 3.6.1. The National Street Gazetteer (NSG) and additional street data (ASD) will contain the related information for the specified locations, days and times.
- 3.6.2. This data will be kept up to date by the Council and no variation to specified locations, days or times will come into effect without the relevant updates to the NSG.

3.7. Relationship with NRSWA

- 3.7.1. There are no disapplied or modified sections from NRSWA as a result of the Scheme coming into effect.
- 3.7.2. NRSWA Section 74 charges will apply in accordance with the Act following the end of the agreed reasonable period. These charges are in addition to lane rental charges.

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4 The Surrey Permit Scheme

4.1. Principle

- 4.1.1. The operation of the Scheme will complement the Permit Scheme. The information provided by the Promoter in a permit and associated notices, subject to any agreed correction, will be used to determine lane rental charges.

4.2. Permit application on a lane rental street

- 4.2.1. As the content of the permit will determine whether the work is within the scope of the Scheme it is imperative for the Promoter to include accurate details for location, traffic control and duration, including times.
- 4.2.2. Unless a Promoter indicates otherwise in their permit, the Council will assume work on a specified street is subject to the Scheme.

4.3. Permit variation issued by the Promoter

- 4.3.1. If a permit variation results in any change to a lane rental charge, even if for part of the works, then this should be clearly indicated on the permit variation application.

4.4. Permit variation issued by the Council

- 4.4.1. There may be instances where the Council issue a permit variation to a Promoter, which results in a work becoming subject to the scope of the Scheme or changes the applicable lane rental charge.
- 4.4.2. No additional lane rental charges will apply as a result of a permit variation issued by the Council where a variation is initiated through no fault of the Promoter

4.5. Permit fees

- 4.5.1. If a work is liable for a lane rental charge no permit fee, as defined in the Permit Scheme, will be applied.

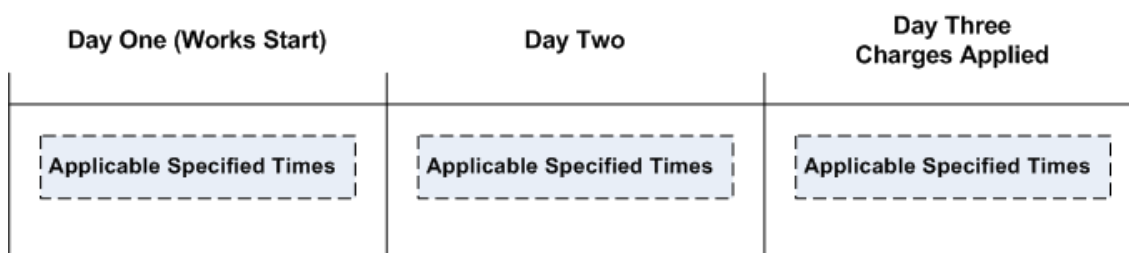
5 Lane Rental Charge

5.1. Principle

- 5.1.1. The Council will apply a daily rate of charge, referred to as a '**lane rental charge**', for the duration of **specified works** carried out by a Promoter at a **specified location** during the **specified times and days**.
- 5.1.2. Lane rental charges will only apply when any form of traffic control is deployed on the carriageway.

5.2. Calculation of charge

- 5.2.1. Other than for Immediate works, lane rental charges will apply between dates and times specified in the start of works notice and the works stop notice (as the date of works ended).
- 5.2.2. For all Immediate works, the lane rental charges will apply on and from the **third calendar day of work** – taking the works start as stated within the permit application – until the date and time specified in the works stop notice.



- 5.2.3. For the calculation of a lane rental charge, either the Council or the Promoter may provide or request additional evidence to clarify any discrepancy in the information contained in the submitted works notices. In all circumstances a lane rental charge will be applied according to the actual work undertaken.

5.3. Lane rental charge categories

- 5.3.1. The Regulation allows for a prescribed charge, to a maximum of £2,500, which may be reduced or waived in particular cases (applied as a lane rental charge discount).
- 5.3.2. The daily lane rental charges are based on the Specified Location and the traffic control deployed for the works as set out in the table below.

| Specified Location | Traffic Control | |
|--------------------|-----------------|--------------|
| | Road Closure | Lane Closure |
| All | £2,500 | £1,500 |

5.4. Discounts

5.4.1. The Council will apply a discount, as a percentage reduction of the original lane rental charge, to any lane rental charge in specified circumstances (as below). Multiple discounts may apply to a single work up to a total amount of 100% of the lane rental charge.

5.4.2. Further discounts may be considered for any works on a case-by-case basis. A Promoter should discuss these with the Council's Traffic Manager (or delegated Officers) as set out within any operational guidance document.

5.4.3. Major infrastructure improvement discount

5.4.4. A minimum 25% discount will be applied to lane rental charges for any works that:

- deliver significant highway infrastructure improvements;
- substantially extend/renew the longevity of an asset;
- are recognised by the Council to be nationally significant infrastructure projects; or
- install infrastructure that minimises the impact of future works.

5.4.5. Collaboration

5.4.6. Any opportunity for two or more Promoters to collaborate in order to reduce the occupation of the highways is strongly encouraged.

5.4.7. Where two or more sets of works are carried out in collaboration concurrently, the lane rental charge will be discounted by a minimum of 25% for each Promoter during the period of collaboration.

5.4.8. Collaboration will be as identified within the associated permit applications and/or site inspections, however the onus to prove such collaboration rests with the Promoter in order to receive this discount.

5.4.9. Inspection results

5.4.10. Where the results of all Category A, Category B sample inspection and permit condition compliance inspections meet a specified pass rate for a Promoter during a designated period, a 5% discount for each inspection type will be applied to lane rental charges for an agreed subsequent period. Further details will be set out in any operational guidance document.

5.5. Remedial works

5.5.1. All works subject to a lane rental charge and for the purpose of rectifying a defective reinstatement may be subject to the maximum daily charge of £2,500.

5.6. Monitoring activity

- 5.6.1. If during the monitoring of work the Council obtains evidence that the actual work carried out by the Promoter is different from the notices received, then any relevant changes to the lane rental charges will be applied to reflect the actual work.

5.7. Payment and reconciliation

- 5.7.1. For the collection of lane rental charges, the Council will follow the same timescales and procedures associated to the Permit Scheme - an account will be issued to a Promoter, who will be provided opportunity to reconcile this account, prior to invoicing.
- 5.7.2. It is expected that the Promoter will also follow the procedures and timescales of the Permit Scheme for the payment and reconciliation of lane rental charges.
- 5.7.3. The Council will issue a request for payment of lane rental charges to a Promoter, which is due for payment no later than three months after works stop.

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6 Dispute Resolution

6.1.1. The Council is committed to delivering their network management duty and all associated benefits through a positive working relationship with all persons and organisations undertaking works on the highway.

6.1.2. The Council also recognises that on occasions there may be disagreements between parties. In an event of any dispute related to the Scheme, the Council will make every effort to resolve disputes without having to refer them to a formal appeals procedure.

6.2. Dispute review

6.2.1. If agreement cannot be reached on any matter arising in relation to the Scheme, the dispute will be referred for review on the following basis.

6.2.2. Straightforward issues

6.2.3. Where the Council and Promoter consider that the issues involved in the dispute are relatively straightforward, the matter will be referred to impartial members of the South East Highway Authorities and Utilities Committee (HAUC). Impartial members are those not representing parties directly involved in the dispute.

6.2.4. This review should take place within the timescales set-out in the HAUC dispute process, from the date of referral. It is recommended that both parties accept the result as binding.

6.2.5. Complex Issues

6.2.6. If the Council and the Promoter involved in the dispute consider the issue to be complex, HAUC England will be asked to set up a review panel of four members, comprising two utilities and two street authorities. One of the four persons will be appointed as a chair of the panel by the HAUC England joint chairs.

6.2.7. Each party must make all relevant financial, technical and other information available to the review panel.

6.2.8. The review would normally take place within any timescales set-out in any current HAUC England dispute process, from the date on which the issue is referred to HAUC England. It is recommended each party accept the advice given by the review panel as binding.

6.3. Adjudication

6.3.1. If agreement cannot be reached by the procedure above, the dispute can be referred to independent adjudication. Adjudication will only be used if the Council and the Promoter agree in relation to the matter under dispute, that

- (i) the decision of the adjudicator is deemed to be final; and
- (ii) the costs of adjudication will be borne equally unless the adjudicator considers that one party has presented a frivolous case, in which case costs may be awarded against them.

- 6.3.2. Where the adjudication route is followed, the Council and Promoter will apply to the joint chairs of HAUC England, who will select and appoint the independent adjudicator from a suitable recognised professional body.

6.4. Arbitration

- 6.4.1. Disputes relating to matters covered by the following sections of NRSWA may be settled by arbitration, as provided for in section 99 of NRSWA:

- Section 74 (2) - charges for occupation of the highway where works are unreasonably prolonged;
- Section 74A (12) - charges determined by reference to duration of works.

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7 Scheme Evaluation, Governance and Variation

7.1. Scheme evaluation

7.1.1. The Council recognises the need to share information and evaluate the operational performance of the Scheme, both in terms of its efficiency and the effectiveness to meet the stated objectives.

7.2. Surplus revenue governance

7.2.1. The Council will retain revenues obtained from lane rental charges to meet reasonable costs incurred for operating the Scheme.

7.2.2. Surplus revenues (revenues from charges after deduction of reasonable costs) will be applied for purposes intended to reduce the disruption or other adverse effects arising as a result of street works

7.2.3. Joint working arrangements will exist between the Council and Promoters to ensure that the surplus revenues are applied for purposes intended. The Council will publish these arrangements, which will set out:

- how to request access to surplus revenues to fund relevant projects, and the approval process;
- a framework for joint working arrangements; and
- how the surplus revenues have been applied.

7.2.4. The Council will publish annual accounts summarising the lane rental charges received and the surplus revenues spent.

7.3. Minor variations to the Schedule

7.3.1. Demands on the Surrey road network constantly change, and as such there may be a need to apply minor variations to the Schedule to meet these demands.

7.3.2. Any changes to the specified locations or specified days and times within the Schedule these will not vary the total overall length of the specified locations covered by the Scheme by more than plus or minus three percent.

7.3.3. Prior to any variation to the Schedule the Council will consult with all stakeholders for a suitable period of time. The Council will provide justification for any changes to the Schedule within this consultation.

8 Transitional Arrangements

8.1. Rule of transition

- 8.1.1. The basic rules of transition will apply to all works which could be covered by the Scope of the Scheme:
- i. The Scheme will apply to all works first notified to the Council, or in respect of which an application for a Permit or Provisional Advanced Authorisation is made, after the Scheme come-into-effect date;
 - ii. *Major works* with a granted permit prior to the Scheme coming into effect that actually start within the three months of the Scheme come-into-effect date will not be subject to lane rental charge (see iv below);
 - iii. No lane rental charges will be levied on any works for the first calendar month of Scheme operation following the Scheme come-into-effect date, however the Council still expects all promoters of works in Specified Locations during this period to best mitigate any disruption their works might cause and;
 - iv. If any works covered by (ii) are varied by duration or methodology once the Scheme is in effect, they will become subject to lane rental charge from the date of any variation, beyond the initial calendar month when no lane rental charges will be applied as set out in iii.

8.2. Notice period and trial

- 8.2.1. The Council will provide Promoters with no less than 12 weeks formal notice for the coming into effect of the Scheme.
- 8.2.2. In advance of the Scheme coming into effect and during the period of notice, the Council will operate a trial of the Scheme. This period will provide opportunity for the Promoter and Council to embed new ways or working, including operating processes and IT system usage.
- 8.2.3. During the formal notice period, prior to a scheme coming into effect, no lane rental charges will apply.

Terminology

The key words 'must', 'required', 'should', 'recommended', 'encouraged', and 'may', used in this document are to be interpreted as follows:

The word 'must', or the term 'required', means that the requirement of the Scheme to which they relate is an absolute requirement.

The phrases 'must not' or 'shall not' mean that the prohibition of the Scheme to which they relate is an absolute prohibition.

Wherever possible the term 'must' is associated to a requirement under legislation, however in some instances the term is used to denote that a process will be required.

The word 'should', 'should not' or the adjectives 'recommended' or 'encouraged' mean that there may exist valid reasons in particular circumstances to ignore a recommendation in the Scheme, but the full implications must be understood and carefully weighed before choosing a different course.

The word 'may' means that a suggestion in the Scheme is truly optional.

References

References within the Scheme to other documents, such as Regulations, Acts, Statutory Guidance or Codes of Practice, include all future revisions and updates.

Should any changes made to these documents reflect a fundamental change to the scope of the Scheme, and associated definitions, the Scheme will also be updated.

Definitions

| Term | Definition |
|-----------------------|---|
| Day | Means all days including Saturdays, Sundays and Bank Holidays unless explicitly stated otherwise. |
| HAUC | Means the Highway Authorities and Utilities Committee. |
| Immediate work | <p>Means either emergency works or urgent works.</p> <p>As defined in Section 52 of NRSWA, emergency works means <i>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 (or which the person responsible for the works believes on reasonable grounds to be existing or imminent) which are likely to cause danger to persons or property</i>.</p> <p>Urgent works means (a) works (not being emergency works) whose execution at the time they are executed is required (or which the person responsible for the work believes on reasonable grounds to be required) i) to prevent or put an end to an unplanned interruption of any supply or service provided by the undertaker; ii) to avoid substantial loss to the undertaker in relation to an existing service; or iii) to reconnect supplies or services where the undertaker would be under a civil or criminal liability if the reconnection is delayed until after the expiration of the appropriate notice period; and (b) includes work that cannot reasonably be severed from such works.</p> |
| NRSWA | Means the New Roads and Street Works Act 1991 |
| Permit Scheme | Means the Surrey Permit Scheme. |
| Promoter | Means a person or organisation entitled by virtue of a statutory right to carry out street works or works for road purposes. |
| Remedial works | Means works required to put right defects identified in accordance with the provisions of the New Roads and Street Works Act 1991 Code of Practice for Inspections, and associated regulations. |
| Street | As defined in Section 48(1) of NRSWA., means the <i>whole or any part of any of the following, irrespective of whether it is a thoroughfare(a) Any highways, road, lane, footway, alley or passage; (b) Any square or court; or Any land laid out as a way whether it is for the time being formed as a way or not.</i> |

| Term | Definition |
|---------------------------------|--|
| Street works | As defined in Section 48 (3) of NRSWA, <i>street works means works of any of the following kinds (other than works for road purposes) executed in a street in pursuance of a statutory right or a street works licence: (a) placing apparatus; or (b) inspecting, maintaining, adjusting, repairing, altering or renewing apparatus, changing the position of apparatus or removing it, or works required for or incidental to any such works (including, in particular, breaking up or opening the street, or any sewer, drain or tunnel under it, or tunnelling or boring under the street’.</i> |
| Traffic-sensitive street | Means a street designated by a street authority as traffic-sensitive pursuant to Section 64 of NRSWA and in a case where a limited designation is made pursuant to Section 64 (3) any reference to works in a traffic- sensitive street shall be construed as a reference to works to be executed at the times and dates specified in such designation. |
| Work | Means street works or works for road purposes. |
| Works for road purposes | As defined in Section 86 (2) of NRSWA, means <i>works of any of the following descriptions executed in relation to a highway: (a) works for the maintenance of the highway; (b) any works under powers conferred by Part V of the Highways Act 1980 (improvement); (c) the erection, maintenance, alteration or removal of traffic signs on or near the highway; or (d) the construction of a crossing for vehicles across a footway or grass verge or the strengthening or adaptation of a footway for use as a crossing for vehicles’.</i> |