

Birmingham City Council

Permit Scheme Annual Review

Year 1 April 2023 – March 2024

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1 INTRODUCTION

1.1 Background

1.1.1 The Birmingham City Council Permit Scheme for Road & Street Activities went live on 1st March 2023.

1.1.2 The Permit Scheme legislation requires an annual review of Scheme performance in the first 3 years of operation and every 3 years thereafter.

1.1.3 The purpose of the reviews are to;

- Compare the scheme against the stated Scheme Objectives,
- Demonstrate a reduction in the duration of works,
- Demonstrate a reduction in the number of Permit applications (through an increase in collaborative working),
- Report the monitored Key Performance Indicators (KPIs 1 – 4 & KPI 7),
- Report the annual scheme benefit to all road users.

1.1.4 The Council commissioned an interim review of scheme performance during the first six months, to help identify any issues and provide recommendations or corrective actions to help achieve the scheme objectives in the first year.

1.1.5 This review reported on 17th October 2023 and covered the period 1st March 2023 to 31st August 2023 and is reported in '*Permit Scheme Interim Review, Year 1 March 2023 - August 2023*', 17th October 2023.

1.2 Annual Review

1.2.1 Given the Interim Review considers the operation of the scheme in the first month, the period covered by the full annual review has been set to coincide with the Council's financial year and reporting periods; 1st April 2023 to 31st March 2024.

1.2.2 This review should be read in conjunction with the 6 month Interim Review report and reports on the following items:

- Occupancy and duration of works
- Key Performance Indicators
- Preliminary review of staff resource and costs
- Conclusions & recommendations

2 WORKS DURATION

2.1 Data sources

2.1.1 The purpose of the duration review is to quantify the benefit of the Permit Scheme in terms of a reduction in number of days worked on the road network during the first 12 months of the scheme.

2.1.2 Data reports extracted from Confirm and Street Manager for the 12 month annual review include:

- Works stopped notices, 1st April 2023 – 31st March 2024,
- Key Performance Indicators (KPI) reports, 1st April 2023 – 31st March 2024.

2.1.3 The following sections present a comparison of the works stopped permit records for the first and second six month periods (1st April 2023 to 30th September 2023 and 1st October 2023 to 31st March 2024) with an equivalent six month period operating under Noticing regulations prior to the introduction of the permit scheme.

2.1.4 The data has been presented in this way to identify how the volume of applications has changed over the course of the first year.

2.2 Occupancy

2.2.1 Figure 1 presents a comparison of the number of works completed in each 6 month period. The noticing benchmark period presents an average of the 2021 and 2022 data sets.

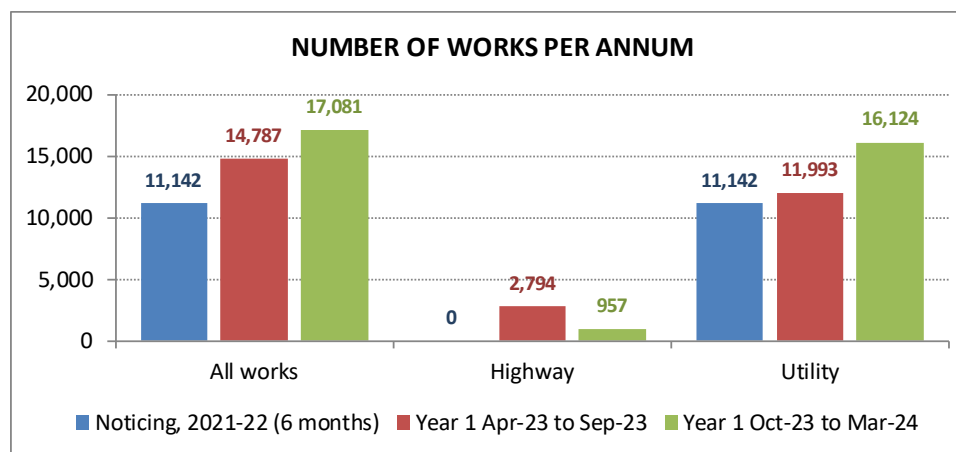


Figure 1 Number of completed works (6 months)

- 2.2.2 The number of utility works completed in the first 6 months of Year 1 is 7.6% higher than recorded over the Noticing period. The second 6 month period (October 2023 to March 2024) records an additional 4,982 utility works, a 45% increase in volume compared with the Noticing period.
- 2.2.3 The number of highway works completed reduced from 2,794 in the first 6 months to 957 in the second.
- 2.2.4 The Confirm data reports do not include highway authority works stopped records. The Street Manager data report provides a record of highway authority works completed in the first 12 months of the scheme.
- 2.2.5 Almost 3,000 highway works were completed in the first 6 months. Overall, highway works account for 19% of all works recorded as complete in the first six months. This reduced to 5.6% in the second six months as a result of a reduction to fewer than 1,000 highway works completed and a 40% increase in the number of utility works recorded as complete.
- 2.2.6 Figure 2 presents a comparison of the average duration of highway authority and utility works completed.

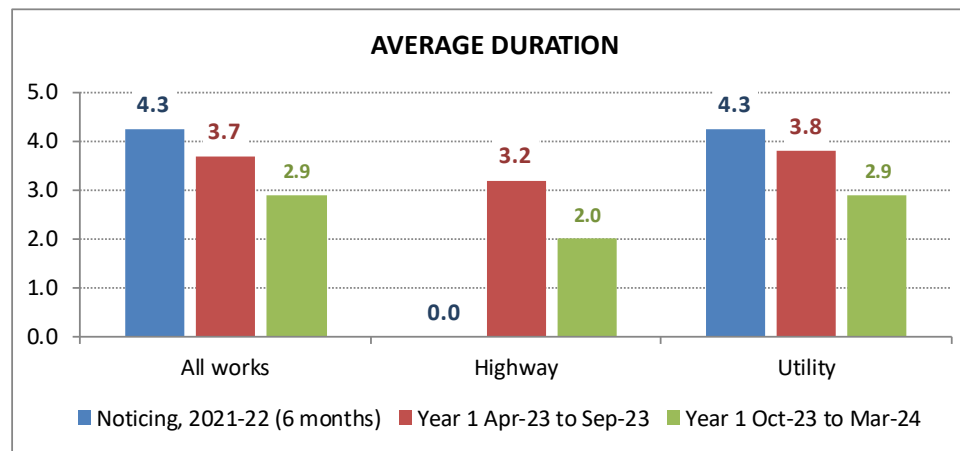


Figure 2 Average duration of works

- 2.2.7 There are no noticing records of highway works to compare the average duration recorded in the first twelve months of the scheme.
- 2.2.8 The average duration of utility works reduced from 4.3 days to 3.8 days in the first 6 months and then shows a further significant reduction to 2.9 days in the second 6 month period.
- 2.2.9 The total occupancy (number of days worked) in each period is shown in Figure 3.

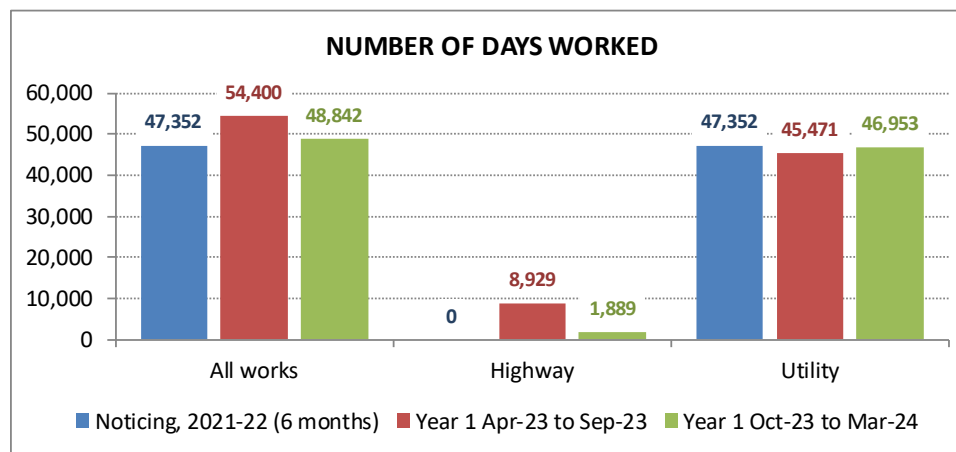


Figure 3 Number of days worked per annum

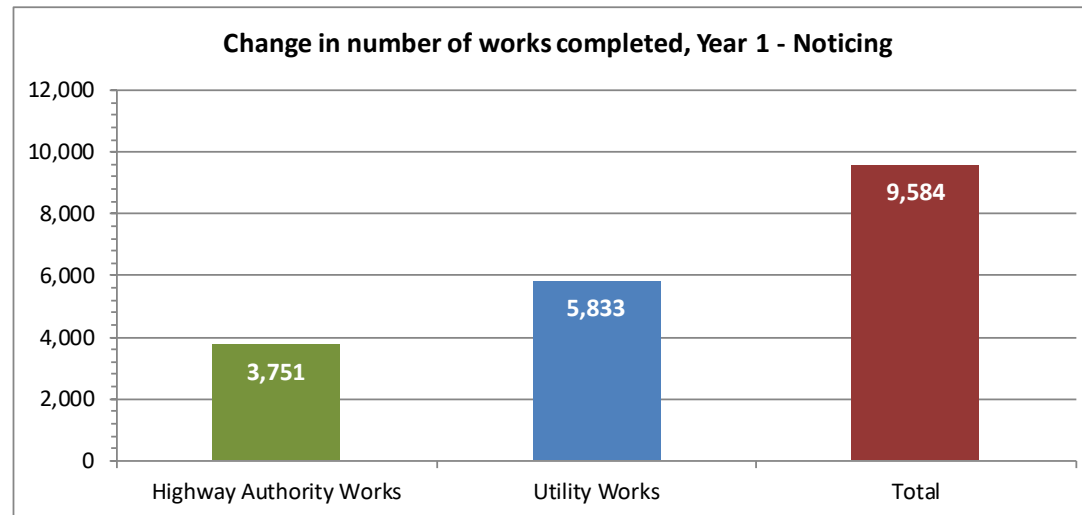
- 2.2.10 The occupancy for utility works has reduced very slightly compared with the Noticing bench mark period. This is despite a 7% and then 45% increase in the number of completed works recorded in the first twelve months. The significant reduction in average duration has fully offset the impact of the additional works recorded.
- 2.2.11 Total occupancy for all works appears higher in the first 6 month period, but this is a result of over 8,900 days recorded against highway works. No data is available in Confirm for equivalent works completed under Noticing.
- 2.2.12 The scheme benefits analysis is presented in Appendix A and a detailed analysis of the works stopped records for all works and separately for highway and utility works is presented in the following sections.

2.3 Detailed - all works

- 2.3.1 The number of works completed in each period is presented in Table 1. The chart shows the difference between the full Year 1 data and the number of works recorded over the equivalent 12 month period in 2021-22.

Table 1 Number of works completed

WORKS STOPPED	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Highway Authority Works			2,794	957	3,751
Utility Works	11,275	11,009	11,993	16,124	5,833
Total	11,275	11,009	14,787	17,081	9,584



- 2.3.2 The total number of works recorded as complete in the first 12 months is 43% higher than the equivalent Noticing period. This is largely a result of the large increase in the number of utility works in the second half of the year and the highway works now reported.
- 2.3.3 The number of works recorded for each works promoter is shown in Table 2.

Table 2 Number of works by promoter

PROMOTER	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Birmingham City Council			2,794	957	3,751
National Grid Elec. Distr. (West Midlands)	1,328	1,374	1,164	1,034	-504
BT	1,879	1,636	2,079	2,136	700
Severn Trent Water Ltd	3,616	3,683	4,034	7,703	4,438
Virgin Media	2,458	2,242	1,993	2,214	-493
Cadent Gas Limited	1,069	738	761	886	-160
Lit Fibre Group Ltd		8	788	360	1,140
South Staffordshire Water plc	328	339	304	280	-83
Grain Communications Limited		191	133	73	15
BRSK Limited			177	852	1,029
CENTRO	69	203	84	88	-100
Hutchison 3G UK Ltd					
ITS Technology Group	1	26	43	45	61
Vodafone	78	49	51	90	14
Telefonica (O2 (UK) Limited)	30	53	40	59	16
T-Mobile (UK) Limited	189	118	37	26	-244
NETWORK RAIL -PROMOTERS NATIONAL	41	13	26	33	5
Hyperoptic Ltd	1	2	28	50	75
Last Mile Electricity Limited	4	5	15	14	20
Romec	5	4	15	5	11
UK Power Distribution			6	4	10
WarwickNet Ltd	5	8	9	22	18
MURPHY POWER DISTRIBUTION	3	10	15	5	7
Fulcrum Pipelines Limited	15	19	15	6	-13
CityFibre	2	31	8	4	-21
Clear Channel	3		10	8	15
COLT TELECOMMUNICATIONS	7	7	18	6	10
Cornerstone Telecommunications			27	8	35
HS2 Ltd		8	9	3	-15
Others	125	242	104	110	-153

- 2.3.4 Other than the inclusion of the City Council works, the biggest change is a 61% increase in the number of works completed by Severn Trent Water Ltd. The number of works completed in the second half of the year almost doubled, from 4,034 between April and September to 7,703 between October and March.
- 2.3.5 The number of works completed by telecoms promoters LIT Fibre Group Ltd and BRSK Limited increased by over 1,000 each in the first year. Both works promoters are new to the area in the last 18 months.
- 2.3.6 The change in the number of works completed by each promoter, comparing Year 1 with the equivalent Noticing period, is shown in Figure 4.

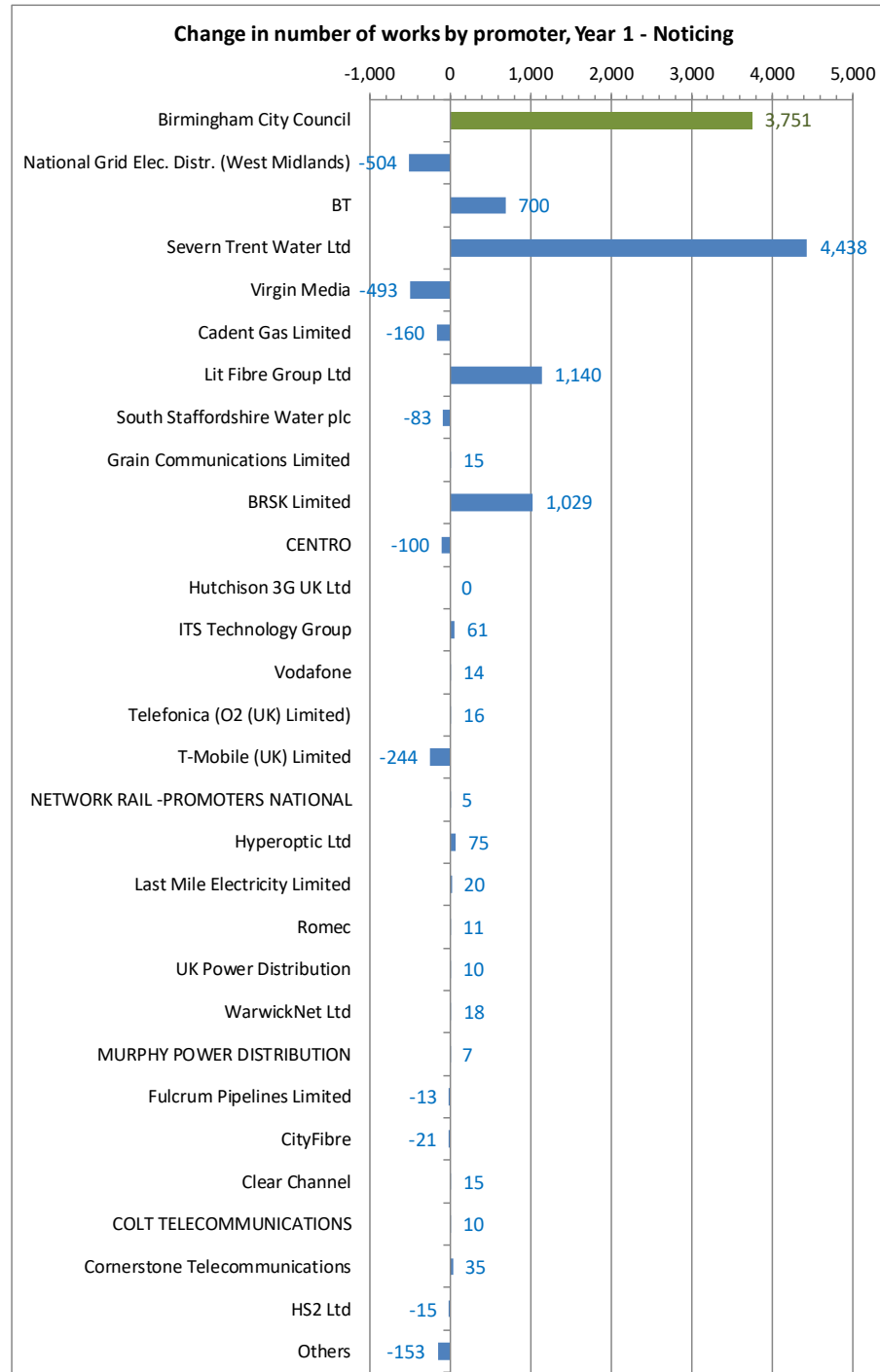


Figure 4 Change in number of works by promoter

- 2.3.7 In addition to the very large increase in works completed by Severn Trent Water, the first 12 months of the permit scheme have seen an overall increase in the number of works completed by telecoms works promoters. Table 3 shows a comparison of the number of works completed by telecoms promoters in each 6 month period.

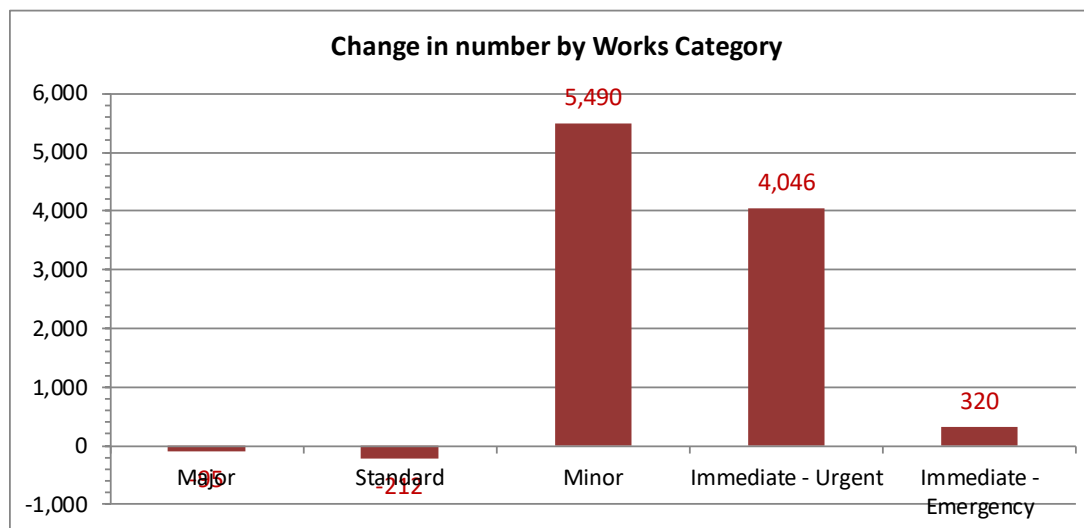
Table 3 Telecoms works

TELECOMMS. PROMOTERS	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Works stopped records	4,687	4,426	5,515	5,998	2,400

- 2.3.8 Telecoms works completed in the first year of the scheme are 26% higher than completed in the equivalent 12 month Noticing period in 2021-22.
- 2.3.9 The number of works completed for each works category is shown in Table 4 and the accompanying chart.

Table 4 Works category

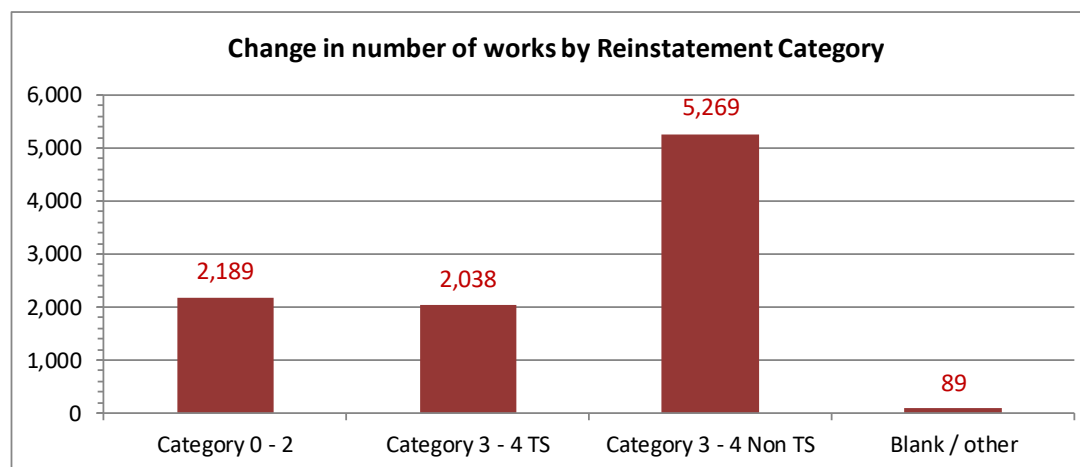
WORKS STOPPED	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Major	482	507	537	357	-95
Standard	1,006	979	901	872	-212
Minor	6,461	6,845	7,353	11,443	5,490
Immediate - Urgent	2,839	2,320	5,513	3,692	4,046
Immediate - Emergency	487	358	469	696	320
Total	11,275	11,009	14,773	17,060	9,549



- 2.3.10 There is very little change in the number of Major and Standard works completed in each 12 month period. The majority of additional works completed in the first year of the permit scheme are Minor and Immediate – Urgent works.
- 2.3.11 The first 6 months shows a large increase in Immediate – Urgent works, with 3,000 more reported compared with the equivalent 6 month Noticing period. This was identified in the 6 month review report and reported as over 2,000 works recorded by the highway authority works promoter and an additional 630 by a utility works promoter.
- 2.3.12 Following a review of these permits on completion of the interim 6 month review, this position has been reversed, with a reduction in the number of Immediate – Urgent works and a corresponding increase in the number of Minor works reported in the second 6 month period.
- 2.3.13 Highway works show a more than 2,000 reduction in the number of Immediate -Urgent works completed in the second half of the year and an increase in the number of Minor works.
- 2.3.14 The breakdown of works by reinstatement category grouping is shown in Table 5 and the accompanying chart.

Table 5 Reinstatement category & Traffic sensitivity

REINSTATEMENT CATEGORY	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Category 0 - 2	2,196	2,029	3,399	3,015	2,189
Category 3 - 4 TS	2,907	2,952	3,760	4,137	2,038
Category 3 - 4 Non TS	5,942	5,801	7,379	9,633	5,269
Blank / other	230	227	249	297	89
All works	11,275	11,009	14,787	17,082	9,585



2.3.15 The 43% increase in the number of works recorded in the first year of the scheme has been spread relatively evenly across all categories with between a 35% and 50% increase in the number of works recorded in each.

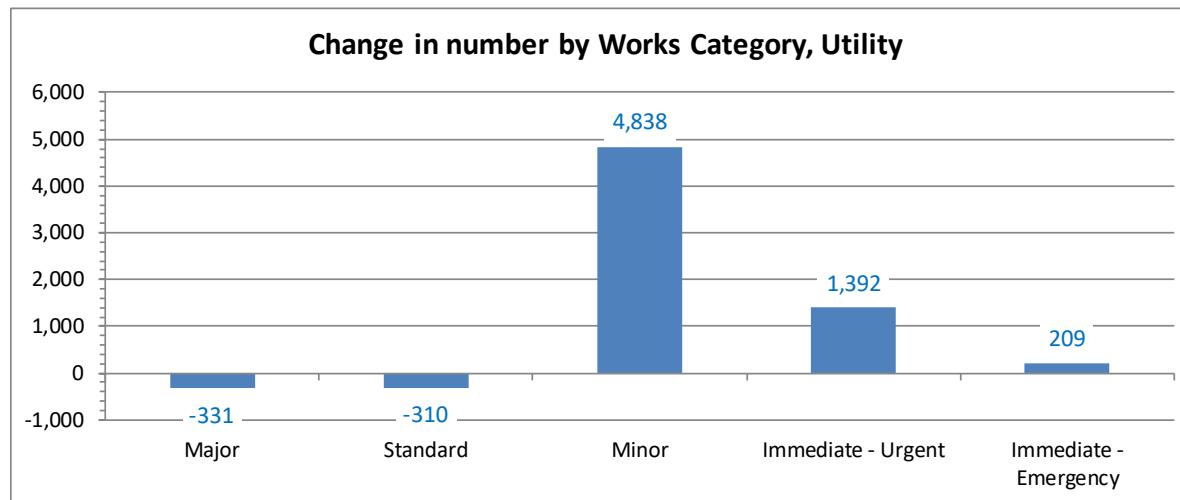
2.3.16 The full analysis of works stopped records is presented in Appendix B.

2.4 Utility works

2.4.1 The utility works data records provided in the Confirm reports for the period 2021-23 has been analysed and presented below. The breakdown of utility works by category is shown in Table 6 and the accompanying chart.

Table 6 Utility works categories

WORKS STOPPED	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Major	482	507	365	293	-331
Standard	1,006	979	857	818	-310
Minor	6,461	6,845	7,245	10,899	4,838
Immediate - Urgent	2,839	2,320	3,141	3,410	1,392
Immediate - Emergency	487	358	371	683	209
Total	11,275	11,009	11,979	16,103	5,798



2.4.2 This data shows the 26% increase in Immediate – Urgent works in the first year of the scheme. The number of works recorded in the first 6 months is very similar to the Noticing periods (increasing by less than 10%). The large increase in Minor works recorded in the second 6 month period contributes to an overall increase of over 45% in the second six months of the scheme.

- 2.4.3 Utility works show a large increase in the number of Minor works, from 7,245 in the first 6 months to 10,899 in the second. The large increase in Severn Trent Water and telecoms works will be the main reason for this increase.
- 2.4.4 The change in number of days recorded on the network for utility works is shown below in Figure 5.

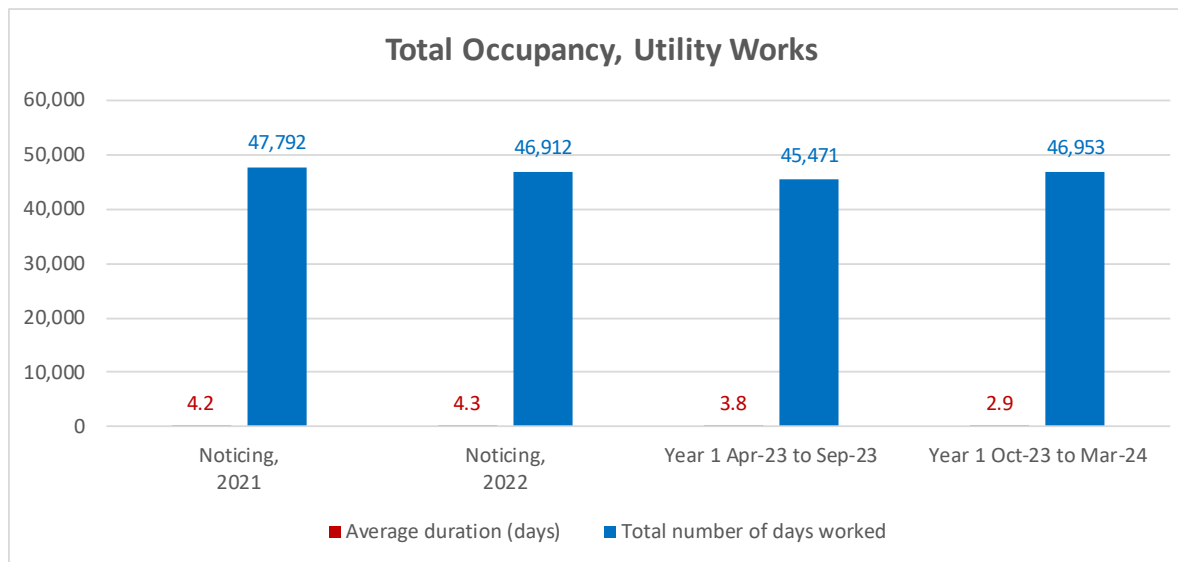


Figure 5 Network occupancy comparison – utility works

- 2.4.5 While the number of works completed in the first 12 months of the scheme has increased by 26%, the total occupancy for utility works completed has remained very consistent in each 6 month period.
- 2.4.6 This is a result of the large reduction in average duration from 4.2 and 4.3 days under Noticing to 3.8 days in the first 6 months and then 2.9 days in the second half of the year.
- 2.4.7 The average durations for each works category are compared in Table 7.

Table 7 Average duration and total days worked by works category, utility**Year 1 (Full), Sep-23 to Mar-24, Duration by works category**

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	19.7	7.7	1.6	3.4	8.2
Total number of days worked	5,766	6,282	17,703	11,574	5,628

Year 1 (Interim), Mar-23 to Aug-23, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	25.6	8.8	1.8	4.0	7.9
Total number of days worked	9,326	7,530	13,258	12,443	2,914

Noticing, 2022, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	20.2	9.4	2.1	4.8	6.6
Total number of days worked	10,014	9,235	14,096	11,196	2,371

- 2.4.8 The table shows the average duration has fallen for each category across the three 6 month periods reported. The only category to show an increase in average duration and total occupancy in the second half of the year is Immediate – Emergency works, increasing to 8.2 days average and contributing to an additional 2,714 days worked compared with the first six months of the scheme.
- 2.4.9 A detailed review of the data report has identified that 5,111 days of the 5,628 recorded (91%) for Immediate – Emergency works in the second half of the year relate to emergency works carried out by Cadent Gas Limited. The average duration of these works is 11.9 days and 36 of the 428 works have a reported duration of more than 30 days. Two of the works were in place for more than 90 days.

Recommendation AR01 - 01: Monitor Immediate – Emergency planning applications by all promoters for suitability and verify the works closed dates match the removal of works from site.

- 2.4.10 The permit scheme provides the opportunity to challenge durations where the authority believes the estimated work duration is high, therefore it is recommended that the actual duration of specific work types is monitored in the second year with a view to developing duration challenge templates for more frequent works.

Recommendation AR01 - 02: Monitor the estimated duration of specific work types by promoter over the first year and consider developing duration challenge templates for permit officers to apply, to ensure consistency across all works promoters and to help achieve the key objective of reducing overall occupancy on the network.

3 KPI MONITORING

3.1 Introduction

- 3.1.1 The interim analysis of the KPI data for the first 12 months has been completed for the following Key Performance Indicators;
- **KPI 1**, the number of Permit and Permit Variation applications received, and a breakdown of the number granted and refused
 - **KPI 2**, the number of conditions applied by condition type
 - **KPI 3**, the number of approved Permit variations (extensions)
 - **KPI 4**, the number of approved early start requests
 - **KPI 7**, the number of inspections carried out to monitor conditions
- 3.1.2 The above data should be presented separately for highway authority and utility company applications to demonstrate parity in the application of the Scheme.
- 3.1.3 The following additional metrics have also been reported;
- **AM5**, the number of Fixed Penalty Notices (FPN) given, and a breakdown by works promoter
 - **OM7**, the number of permit and variation applications deemed

3.2 KPI review

- 3.2.1 The number and proportion of Permit and Permit Variation applications granted and refused is presented below.

KPI 1, PA & PAA applications

- 3.2.2 Table 8 shows the breakdown of the number of permit applications granted and refused.

Table 8 KPI 1, Permit applications granted and refused

PROMOTER	Received	Granted	Refused	% Refused	Deemed	Superseded
Highway authority	38,578	29,983	6,723	17.4%	177	1,695
Utility	42,531	32,087	6,187	14.5%	584	3,673
ALL	81,109	62,070	12,910	15.9%	761	5,368

- 3.2.3 The refusal rate for permit applications submitted in the first year of the scheme is very similar, with 17.4% of highway applications refused and 14.5% of utility applications refused. Overall, 15.9% of all permit applications were refused in the first 12 months.
- 3.2.4 The ratio of highway to utility permits granted is 47:53. This is a higher proportion of highway works than the works completed records presented in the previous chapter. This is in part due to a large number of planned highway works being included in the first 12 months, with 3,855 of the applications granted for Provisional Advanced Authorisation (PAA) of Major works.
- 3.2.5 Over the same period, only 850 PAA were submitted and granted for external works promoters (fewer than 20% of all PAA granted in the first year).

3.2.6 The refusal rates for each promoter group are compared on the chart in Figure 6.

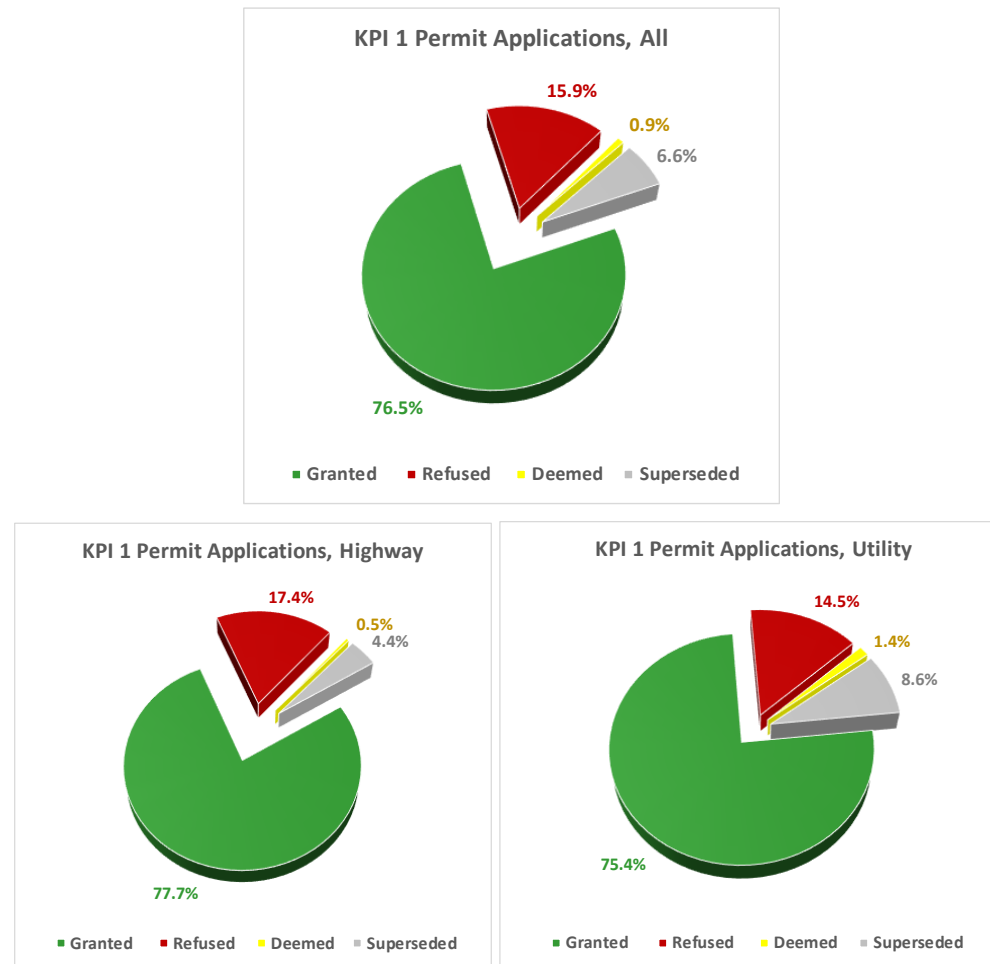


Figure 6: KPI 1, Permit Applications

3.2.7 A significant proportion of applications were cancelled or abandoned before the permit was granted; approximately 4% of highway applications and 9% of utility applications (reduced from 8% and 13%, respectively in the first 6 months of the scheme).

KPI 1, Permit variation applications

3.2.8 Table 9 shows the breakdown of the number of permit variation applications granted and refused.

Table 9 KPI 1, Permit variation applications granted and refused

PROMOTER	Var. as % of Apps. Granted	Received	Granted	Refused	% Refused	Deemed	Superseded
Highway authority	0.1%	18	14	0	0.0%	0	4
Utility	12.4%	3,983	3,594	235	5.9%	117	37
ALL	6.4%	4,001	3,608	235	5.9%	117	41

3.2.9 The Confirm KPI report only includes 6 applications to vary a permit received from the highway authority. Permit variations were submitted by utilities for 13.5% of permits granted.

3.2.10 Fewer than 6% of permit variations submitted by utilities were refused.

3.2.11 The refusal rates for utility promoters are shown in Figure 7.

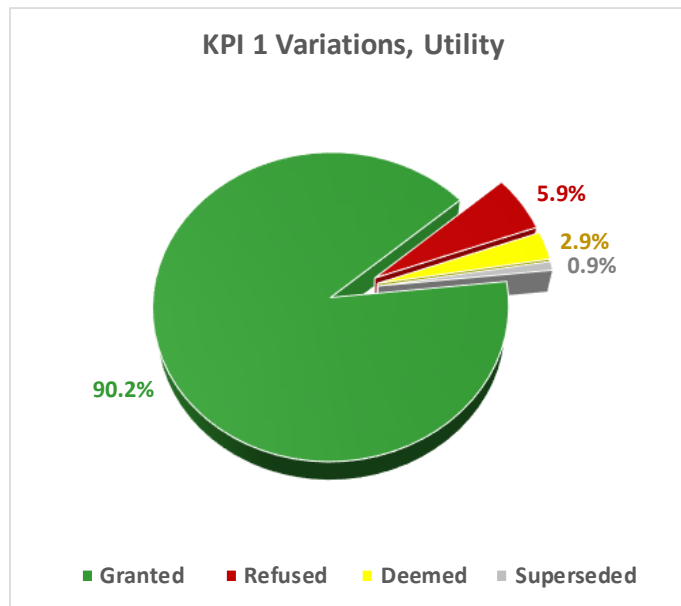


Figure 7: Year 3 Permit Modification Requests

3.2.12 117 or 3% of variation applications submitted by utilities were deemed; 117 of the 3,983 variation applications received. The majority of these occurred in the first six months of the scheme.

KPI 2, Permit conditions

3.2.13 The number of conditions applied by condition type for highway and utility permit applications is shown in Table 10.

Table 10 KPI 2, Permit conditions

Condition	Condition Description	Highway	Utility	All
1	Date Constraints	16,398	6,571	22,969
2	Time Constraints	27,292	16,614	43,906
3	Out of Hours Work	3,994	613	4,607
4	Material and Plant Storage	5,329	14,144	19,473
5	Road Occupation Dimensions	1,959	19,986	21,945
6	Traffic Space Dimensions	22,141	19,624	41,765
7	Road Closure	11,503	952	12,455
8	Light Signals and Shuttle Working	974	6,566	7,540
9	Traffic Management Changes	29,926	9,683	39,609
10	Work Methodology	1,914	16,311	18,225
11	Consultation and Publicity	16,539	9,834	26,373
12	Environmental	2,643	152	2,795
13	Local	62	0	62
	TOTAL	140,674	121,050	261,724

3.2.14 Permit conditions are applied at an average rate of 4.2 conditions per permit application granted.

3.2.15 Highway applications have an average of 4.7 conditions per permit granted compared with 3.8 for utilities. This results in 54% of all conditions submitted relating to highway authority permits.

3.2.16 The number of conditions by type for highway and utility applications is presented in Figure 8.

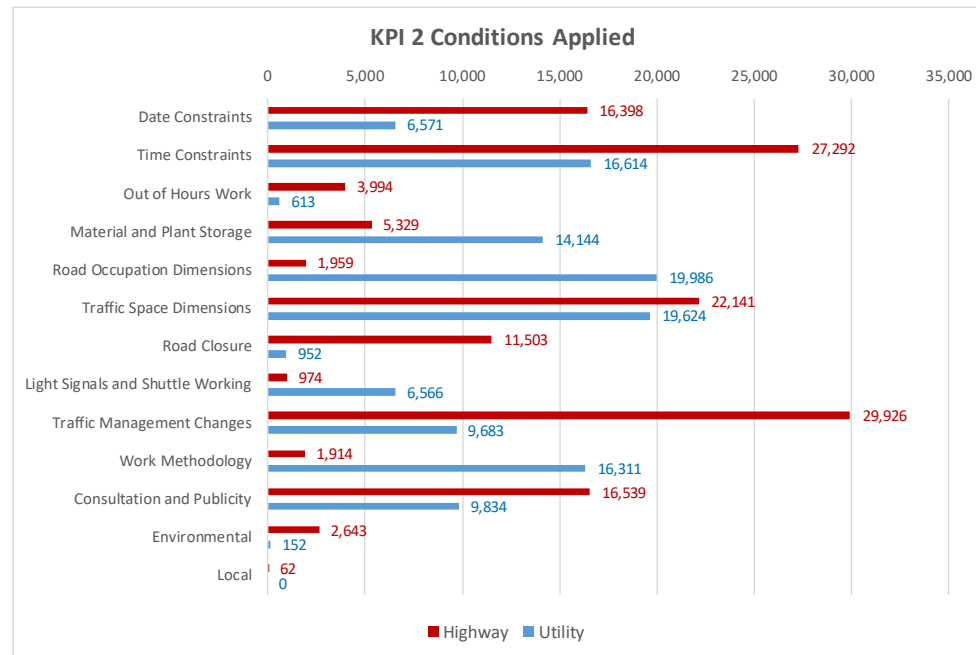


Figure 8: Number of Permit Conditions Applied

3.2.17 A large number of utility conditions relate to road occupation and traffic space dimensions.

3.2.18 A higher proportion of highway conditions relate to date and time constraints for work (NCT 1 and 2). 21% of highway permit conditions are NCT9 relating to traffic management changes.

KPI 3, Extension requests

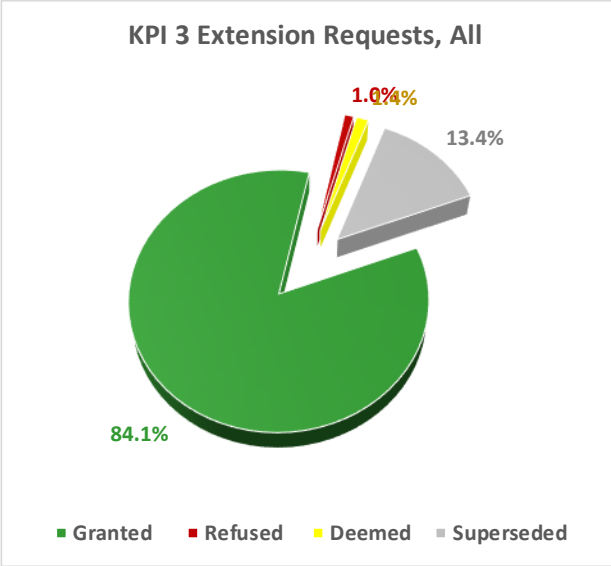
3.2.19 The number of permit extension requests granted and refused are shown for all promoters, and separately for highway authority applications and for statutory undertakers in Table 11.

Table 11 KPI 3, Utility permit extensions

PROMOTER	Req. as % of Apps. Granted	Received	Granted	Refused	% Refused	Deemed	Superseded
Highway authority	0.9%	276	237	6	2.2%	5	28
Utility	8.9%	2,871	2,410	27	0.9%	39	395
ALL	5.1%	3,147	2,647	33	1.0%	44	423

3.2.20 The majority of permit duration extension requests were submitted by utilities; 2,871 at a rate of 8.9% of permits granted. Conversely, only 276 applications to extend works duration were submitted for highway works; a rate of 0.9% of permits granted.

3.2.21 Only 1% of requests were refused overall.



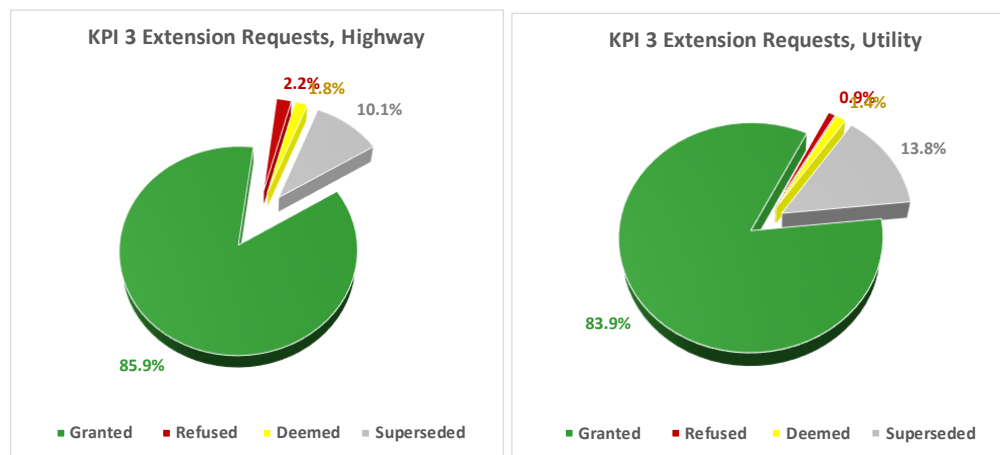


Figure 9: KPI 3, Permit Extensions

3.2.22 Again, a significant proportion of requests submitted by utilities (14%) were superseded or cancelled before being granted or refused.

KPI 4, Early Start Requests

3.2.23 The number of early start requests and applications to reduce the notification period for Minor works is presented in Table 12.

Table 12 KPI 4, Early start requests

PROMOTER	Number of Applications Granted	Early Starts		Reduced Notification Period	
		Agreed	%	Number	%
Highway authority	30,291	357	1.2%	7,574	25%
Utility	38,939	523	1.3%	3,293	8%
ALL	69,230	880	1.3%	10,867	16%

3.2.24 Almost twice as many early start requests were submitted and granted for utility works compared with highway works; 523 versus 357. However, this still only amounts to an early start on 1 in every 80 works granted for each.

3.2.25 Highway promoters submitted a significantly higher number of requests to reduce the statutory notification period for planned works; on 7,574 occasions or 25% of all permits and permit variations granted. Utilities requested a reduced notification period on 3,293 occasions or 8% of permits and variations granted.

KPI 7, Permit Condition Inspections

3.2.26 No permit condition inspections were recorded in the Confirm KPI 7 inspections report. This is not unusual with the same issue found on other authority schemes using different software systems.

Recommendation AR01 - 03: Review how Confirm logs and reports permit inspections to determine if the lack of reported condition inspections is a software issue or a feature of how both compliant and non-compliant inspections are logged by the Street Works Inspectors.

AM5, Fixed Penalty Notices Given

3.2.27 In the absence of permit condition inspection records, the number of FPN given has been used as a proxy for non-compliance with (as shown in Figure 10).

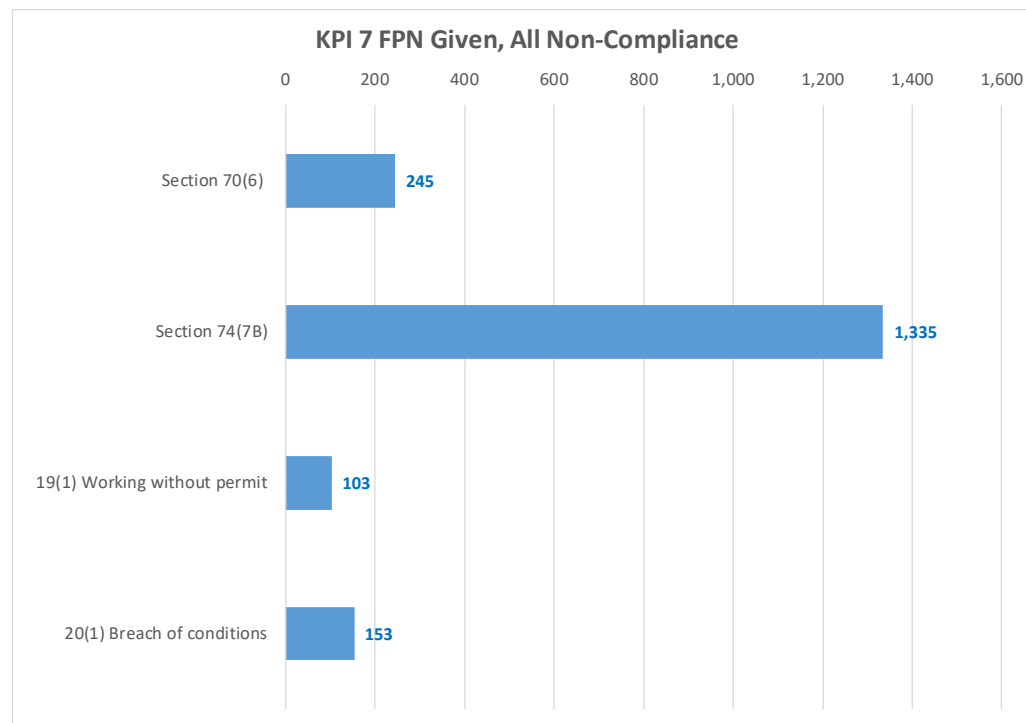


Figure 10: Fixed Penalty Notices Given

- 3.2.28 Overall, 1,836 FPN were given in the first 12 months of the scheme. The majority of these were related to Section 70 failure to register reinstatements and Section 74 overstays.
- 3.2.29 256 FPN were given for non-compliance with the permit scheme; 153 for a breach of permit conditions and 103 for working without a valid permit.
Recommendation AR01 - 04: Review how many permit inspections have been carried out to ensure enough checks have been made to identify non-compliance with Section 19 and 20.
- 3.2.30 The breakdown of FPN given by promoter is shown in Figure 11.

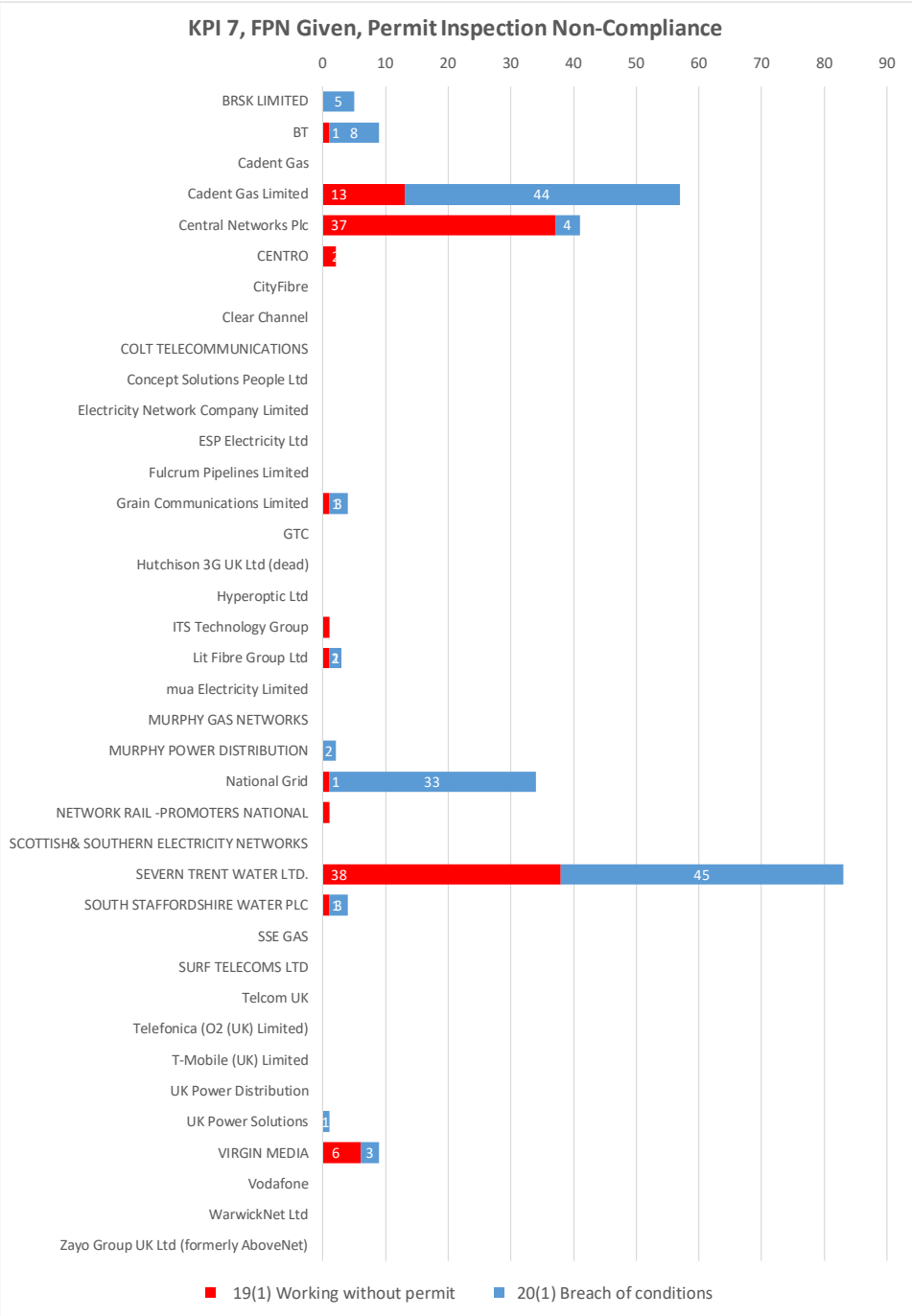


Figure 11: Permit Scheme FPN Given by Promoter

OM7, Deemed permit applications

3.2.31 The number of permit and permit variation applications deemed in the first 12 months is shown in Figure 12.

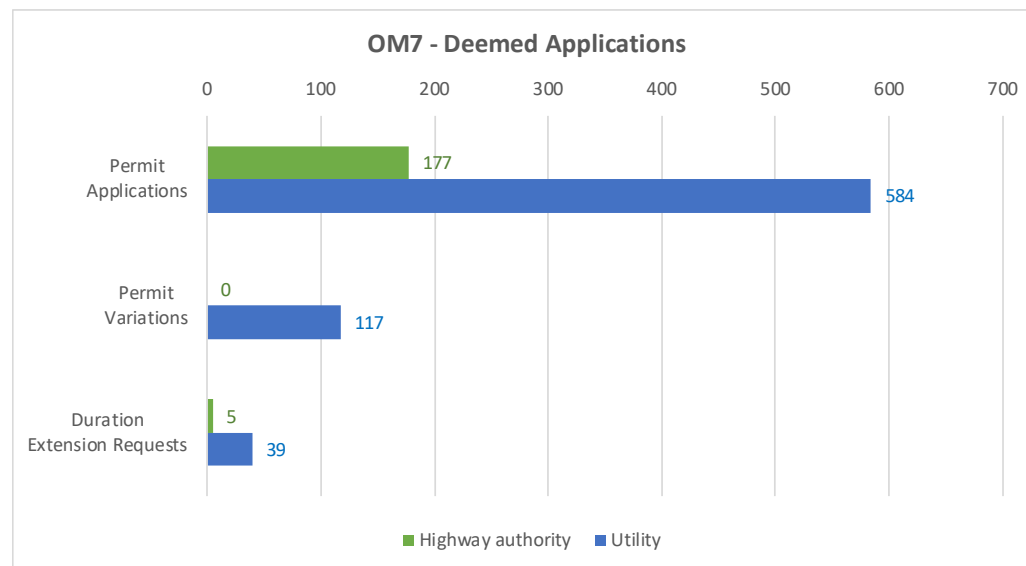


Figure 12: OM7, Deemed applications

3.2.32 761 permit applications were deemed before the application could be granted or refused. 1.4% of all utility applications were deemed. No permit fee can be charged to offset against any staff time spent reviewing these applications.

3.2.33 117 permit variation applications submitted by utilities are deemed. This amounts to 2.9% of all permit variations submitted by utilities. Again, no fee can be charged for any time spent reviewing the application before being timed out or deemed.

3.2.34 Similarly, 1.4% of duration extension requests were deemed, with 39 of the 44 applications deemed relating to utility permits.

3.2.35 A review of deemed applications has found that the majority relate to applications for works on private streets which are allowed to deem by the permits team.

4 STAFFING & RESOURCE

4.1 Summary

- 4.1.1 The DfT Fees Matrix used to estimate staff numbers and set the permit fee charges has been re-run with the actual number of permit and permit variations applications granted in the first twelve months, to determine;
- whether the staff numbers forecast in the business case are still appropriate;
 - and to quantify the operating cost of the scheme in each year.
- 4.1.2 The annual equivalent number of permit applications granted in the first year is compared with the number granted in the first six months and the number forecast in the 2022 CBA (Figure 13 – all figures are annualised for direct comparison).

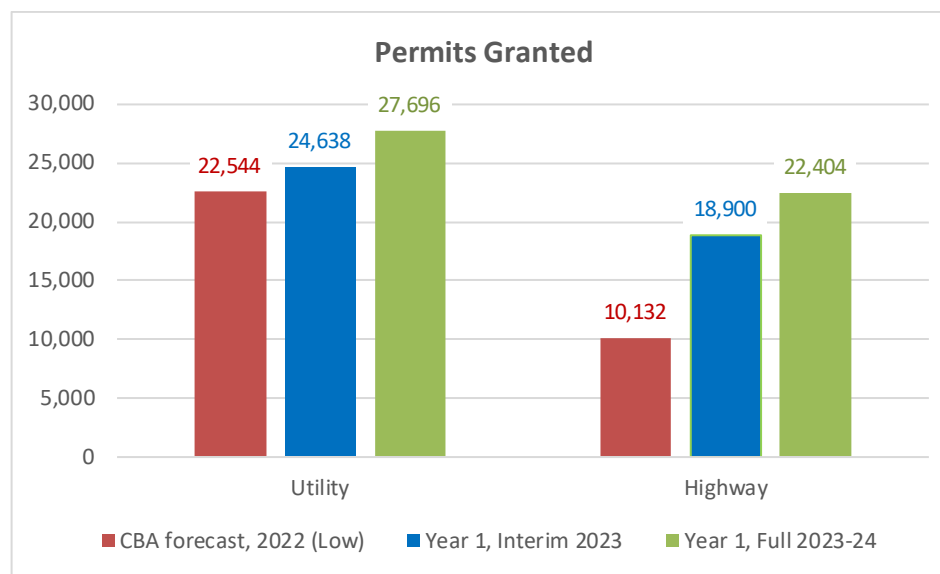


Figure 13: Permit Applications Granted, Forecast v. Actual

- 4.1.3 The CBA forecast the number of permits granted to external works promoters in a typical year at 22,544. The increase in the number of works carried out by telecoms promoters in the first year and a large increase in the number of short duration Minor works by Severn Trent Water in the latter part of the year has contributed to an additional 5,152 permit application being submitted and granted to utilities.

- 4.1.4 Highway noticing records maintained by the term maintenance contractor included all reactive maintenance repair works undertaken on behalf of the highway authority. Many of these would not require a permit if carried out since the scheme went live last year, therefore it was necessary to provide an estimate of the number of highway works likely to require a permit.
- 4.1.5 The CBA forecast the number of highway authority works carried out in a typical year at 10,132. This was based on a 30:70 split (highway:utility) as recommended by the DfT following a review of established permit schemes across the country.
- 4.1.6 The actual number of highway permits has been significantly higher with close to a 45:55 split for permit applications granted in the first twelve months.

4.2 Staff Resource

- 4.2.1 The DfT Fees Matrix calculates the number of staff required to process the revised permit applications forecast.
- 4.2.2 The forecast permit activity used in the 2022 business case estimated a total number of full time equivalent (FTE) staff of 22.4. With 13.7 FTE staff required to process utility permit applications and 8.7 staff to process highway applications.
- 4.2.3 The 6 month interim review reported that the number of staff calculated to process highway permit applications almost doubled to 16.8 FTE. The calculation of resource required to process utility applications was 14.9, closely matching the increase in the number of permits granted.
- 4.2.4 The number of full time equivalent staff required to process utility applications is slightly higher than forecast – 16.0 FTE compared with 13.7 FTE forecast in 2022 – as a result of the increase in permits granted in the second half of the year.
- 4.2.5 The staff resource breakdown in each period is shown in Figure 14.

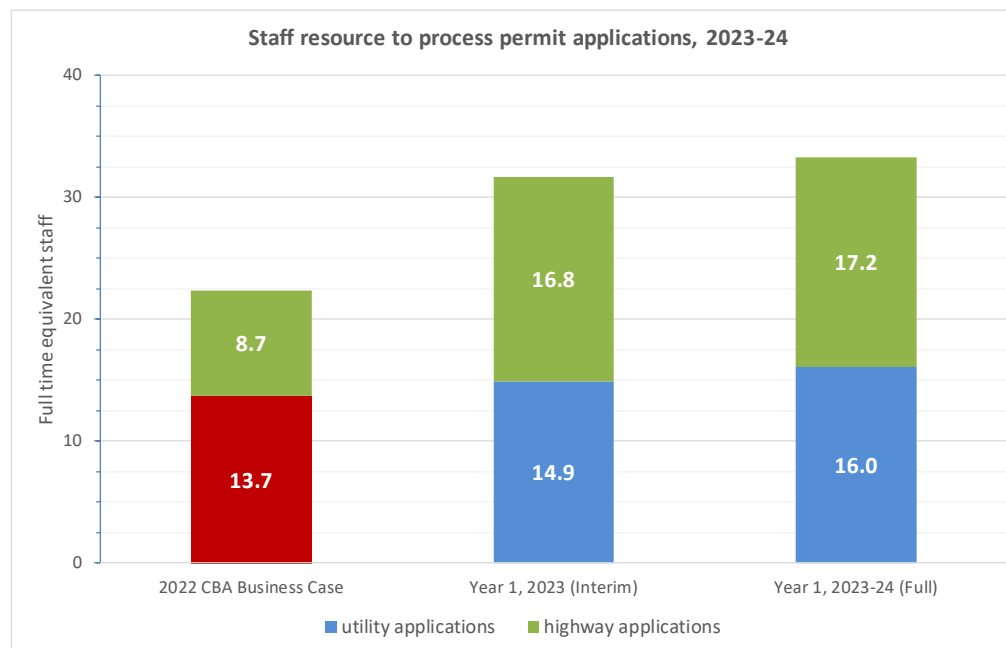


Figure 14: Number of full time staff required, Years 1 to 3

4.2.6 The data for the full year shows a further small increase in total staff resource from 31.7 FTE to 33.2 FTE, with slightly more than half the staff resource required to process highway works applications. This is significantly higher than forecast in the CBA; 22.4 FTE total staff using the highway works estimates.

Recommendation AR01 - 05: Continue to monitor permit numbers and undertake a full evaluation of staff numbers and structure on completion of the Year 1 Review.

4.3 Scheme Cost

4.3.1 A preliminary review using the same Fees Matrix spreadsheet, reports the annual operating costs for the first full year at **£1.66M**. This is approximately 40% higher than the costs to process utility promoter applications in the 2022 CBA forecast.

4.3.2 This is broken down as;

- Staff costs to process PAA & permit applications, £1.11M

- Staff costs to process permit variations, £0.36M
- Allowable overhead costs recovered via fee surcharge, £0.18M

4.4 Fee Income

- 4.4.1 The permit fee income billed in the first year was **£1.63M**. The preliminary fee review has reported a small surplus of £80,812 or 5% of the total fee income billed.
- 4.4.2 However, the review has not included the actual staff salaries paid in the financial year 2023-24 and the allowable overhead costs do not include the permits team share of the Confirm software costs paid by the Council. The department is carrying out a full review of these costs before agreeing a suitable share of the costs to be attributed to the street works permit team.
- 4.4.3 Therefore it is recommended that the Council continue to monitor income and costs and carry out a full review at the end of the third year.

Recommendation AR01 - 06: Continue to monitor fee income and operating costs with a view to carrying out a full review of scheme loss or surplus at the end of Year 3.

5 CONCLUSIONS

5.1 Background

- 5.1.1 The Birmingham City Council Permit Scheme for Road & Street Activities went live on 1st March 2023.
- 5.1.2 The Permit Scheme legislation requires an annual review of Scheme performance in the first 3 years of operation and every 3 years thereafter.
- 5.1.3 The Council commissioned an interim review of scheme performance during the first six months, to help identify any issues and provide recommendations or corrective actions to help achieve the scheme objectives in the first year.
- 5.1.4 The period covered by this full annual review has been set to coincide with the Council's financial year and reporting periods; 1st April 2023 to 31st March 2024.

5.2 Summary

- 5.2.1 The number of utility works completed in the first 6 months of Year 1 is 7.6% higher than recorded over the Noticing period. The second 6 month period (October 2023 to March 2024) records an additional 4,982 utility works, a 45% increase in volume compared with the Noticing period.
- 5.2.2 Other than the inclusion of the City Council works, the biggest change is a 61% increase in the number of works completed by Severn Trent Water Ltd. The number of works completed in the second half of the year almost doubled, from 4,034 between April and September to 7,703 between October and March.
- 5.2.3 The number of works completed by telecoms promoters LIT Fibre Group Ltd and BRSK Limited increased by over 1,000 each in the first year. Both works promoters are new to the area in the last 18 months.
- 5.2.4 Overall telecoms works completed in the first year of the scheme are 26% higher than completed in the equivalent 12 month Noticing period in 2021-22.
- 5.2.5 While the number of works completed by utilities in the first 12 months of the scheme has increased by 26%, the total occupancy for utility works completed has remained very consistent over the period. This is a result of the large reduction in average duration from 4.2 and 4.3 days under Noticing to 3.8 days in the first 6 months and then 2.9 days in the second half of the year.
- 5.2.6 The number of staff required to process permit applications at the rate submitted in the first half of Year 1, is significantly higher than forecast in the CBA; 33.2 FTE compared with 22.4 FTE forecast in the CBA.
- 5.2.7 It is recommended that permit application numbers are regularly monitored with a view to undertaking a full review of staff resource and structure on completion of the Year 1 annual review.

5.3 Recommendations

5.3.1 Five recommendations have been made to be taken forward into Year 2;

Duration and occupancy;

Recommendation AR01 - 01: Monitor Immediate – Emergency planning applications by all promoters for suitability and verify the works closed dates match the removal of works from site.

Recommendation AR01 - 02: Monitor the estimated duration of specific work types by promoter over the first year and consider developing duration challenge templates for permit officers to apply, to ensure consistency across all works promoters and to help achieve the key objective of reducing overall occupancy on the network.

Key Performance Indicators;

Recommendation AR01 - 03: Review how Confirm logs and reports permit inspections to determine if the lack of reported condition inspections is a software issue or a feature of how both compliant and non-compliant inspections are logged by the Street Works Inspectors.

Recommendation AR01 - 04: Review how many permit inspections have been carried out to ensure enough checks have been made to identify non-compliance with Section 19 and 20.

Staff resource;

Recommendation AR01 - 05: Continue to monitor permit numbers and undertake a full evaluation of staff numbers and structure on completion of the Year 1 Review.

Recommendation AR01 - 06: Continue to monitor fee income and operating costs with a view to carrying out a full review of scheme loss or surplus at the end of Year 3.

5.4 Conclusions

5.4.1 The scheme is already performing very well in terms of the stated scheme objectives in the first year of operation.

5.4.2 The review has demonstrated parity of operation between permit applications submitted on behalf of the highway authority and by external works promoters.

5.4.3 The permit scheme has helped drive down the average duration of works to the extent that a 26% increase in works recorded has been accommodated with no net increase in days worked across the network.

5.4.4 The recommendations set out in this report will help deliver further improvements in performance in the second year.

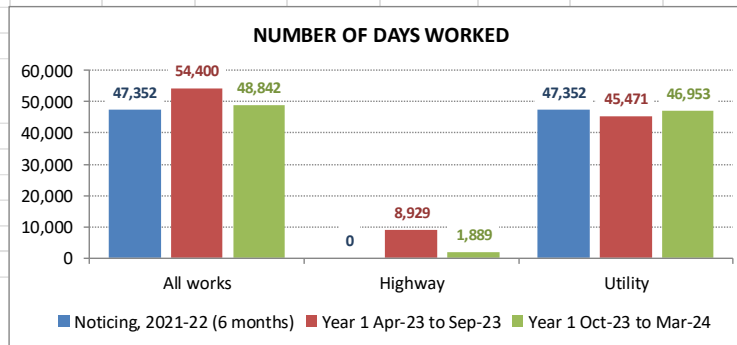
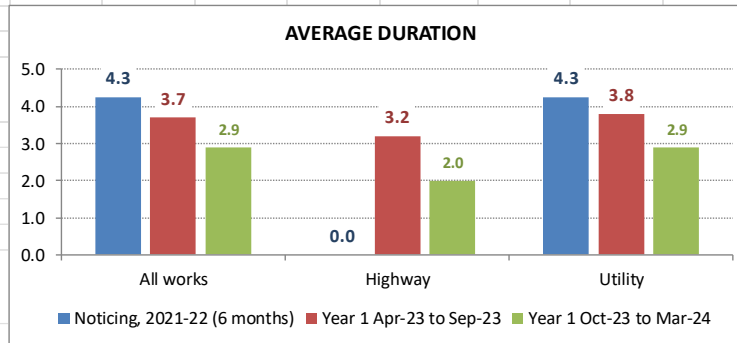
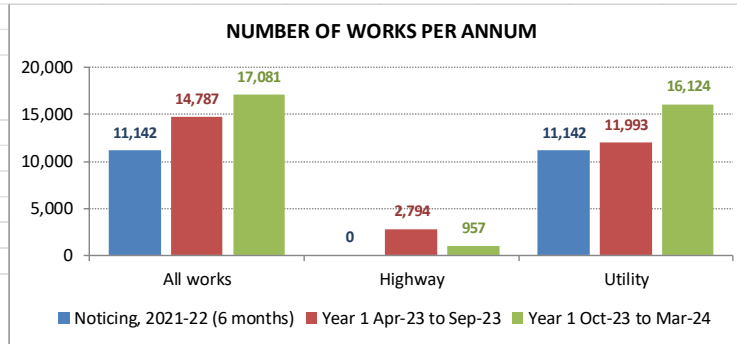
- 5.4.5 The permit fee income billed in the first year was **£1.63M**, reporting a small surplus of £80,812 or 5% of the total fee billed. However, the preliminary review does not include updated staff salaries paid in the financial year 2023-24 and a finalised position regarding a share of the Confirm software costs to be allocated to the allowable overhead costs.
- 5.4.6 Therefore it is recommended that the Council continue to monitor income and costs and carry out a full review at the end of the third year.

APPENDIX A. SCHEME BENEFIT SUMMARY

NUMBER OF COMPLETED WORKS (number)			
	All works	Highway	Utility
Noticing, 2021-22 (6 months)	11,142	0	11,142
Year 1 Apr-23 to Sep-23	14,787	2,794	11,993
Year 1 Oct-23 to Mar-24	17,081	957	16,124
Change, Months 6 to 12 - Noticing	5,939	957	4,982
Change (%)	53.3%		44.7%

AVERAGE DURATION (days)			
	All works	Highway	Utility
Noticing, 2021-22 (6 months)	4.3	0.0	4.3
Year 1 Apr-23 to Sep-23	3.7	3.2	3.8
Year 1 Oct-23 to Mar-24	2.9	2.0	2.9
Change (days)	-1.4	2.0	-1.4

TOTAL NUMBER OF DAYS WORKED (days)			
	All works	Highway	Utility
Noticing, 2021-22 (6 months)	47,352	0	47,352
Year 1 Apr-23 to Sep-23	54,400	8,929	45,471
Year 1 Oct-23 to Mar-24	48,842	1,889	46,953
Change, Months 6 to 12 - Noticing	1,490	1,889	-399
Change (%)	3.1%		-0.8%



APPENDIX B. YEAR 1 DETAILED DURATIONS ANALYSIS

All works promoters

Table A.2: Number of works stopped records

WORKS STOPPED	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Highway Authority Works			2,794	957	3,751
Utility Works	11,275	11,009	11,993	16,124	5,833
Total	11,275	11,009	14,787	17,081	9,584

Highway works proportion: 26.2% (2021), 43.0% (2022), 18.9% (Apr-Sep 23), 5.6% (Oct-Mar 24)

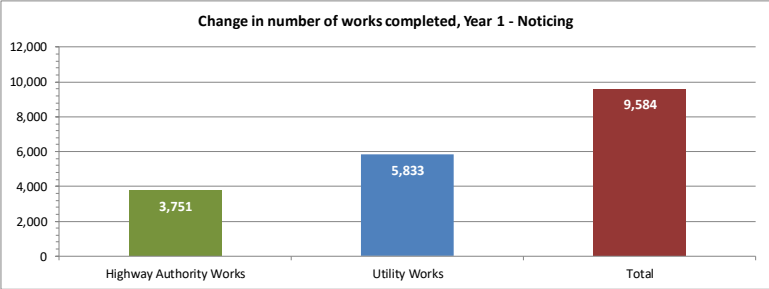


Table A.3: Number of works by promoter

PROMOTER	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not	
Birmingham City Council			2,794	957	3,751	
National Grid Elec. Distr. (West Midlands)	1,328	1,374	1,164	1,034	-504	-18.7%
BT	1,879	1,636	2,079	2,136	700	19.9%
Severn Trent Water Ltd	3,616	3,683	4,034	7,703	4,438	60.8%
Virgin Media	2,458	2,242	1,993	2,214	-493	-10.5%
Cadent Gas Limited	1,069	738	761	886	-160	-8.9%
Lit Fibre Group Ltd		8	788	360	1,140	14250.0%
South Staffordshire Water plc	328	339	304	280	-83	-12.4%
Grain Communications Limited		191	133	73	15	7.9%
BRSK Limited			177	852	1,029	
CENTRO	69	203	84	88	-100	-36.8%
Hutchison 3G UK Ltd						
ITS Technology Group	1	26	43	45	61	225.9%
Vodafone	78	49	51	90	14	11.0%
Telefonica (O2 (UK) Limited)	30	53	40	59	16	19.3%
T-Mobile (UK) Limited	189	118	37	26	-244	-79.5%
NETWORK RAIL -PROMOTERS NATIONAL	41	13	26	33	5	9.3%
Hyperoptic Ltd	1	2	28	50	75	2500.0%
Last Mile Electricity Limited	4	5	15	14	20	222.2%
Romec	5	4	15	5	11	122.2%
UK Power Distribution			6	4	10	
WarwickNet Ltd	5	8	9	22	18	138.5%
MURPHY POWER DISTRIBUTION	3	10	15	5	7	53.8%
Fulcrum Pipelines Limited	15	19	15	6	-13	-38.2%
CityFibre	2	31	8	4	-21	-63.6%
Clear Channel	3		10	8	15	500.0%
COLT TELECOMMUNICATIONS	7	7	18	6	10	71.4%
Cornerstone Telecommunications			27	8	35	
HS2 Ltd	19	8	9	3	-15	-55.6%
Others	125	242	104	110	-153	-41.7%
Total	11,275	11,009	14,787	17,081	9,584	43.0%

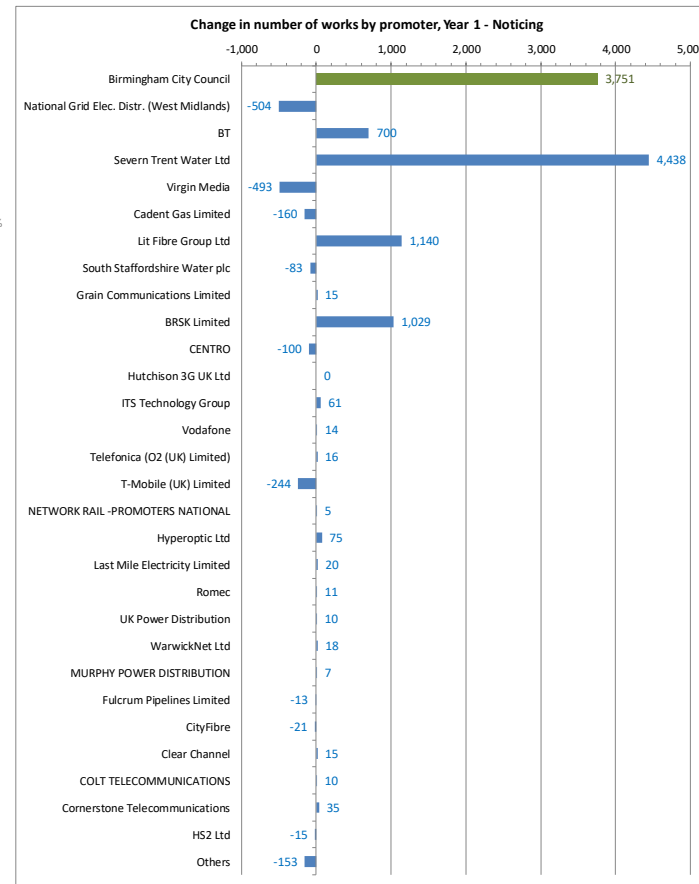


Table A.3b: Number of telecoms works

TELECOMMS. PROMOTERS	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not	
Works stopped records	4,687	4,426	5,515	5,998	2,400	26.3%
Change from 2021 base		-5.6%	17.7%	28.0%		

Table A.5: Number of works by category

WORKS STOPPED	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Major	482	507	537	357	-95
Standard	1,006	979	901	872	-212
Minor	6,461	6,845	7,353	11,443	5,490
Immediate - Urgent	2,839	2,320	5,513	3,692	4,046
Immediate - Emergency	487	358	469	696	320
Total	11,275	11,009	14,773	17,060	9,549

-9.6%
-10.7%
41.3%
78.4%
37.9%
42.9%

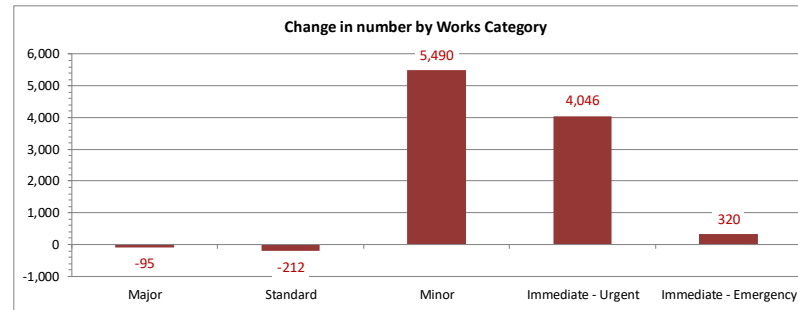


Table A.6: Road categories & traffic sensitivity comparison

REINSTATEMENT CATEGORY	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Category 0 - 2	2,196	2,029	3,399	3,015	2,189
Category 3 - 4 TS	2,907	2,952	3,760	4,137	2,038
Category 3 - 4 Non TS	5,942	5,801	7,379	9,633	5,269
Blank / other	230	227	249	297	89
All works	11,275	11,009	14,787	17,082	9,585

Category 0-2 & TS 45% 45% 48% 42%

51.8%
34.8%
44.9%
19.5%
43.0%

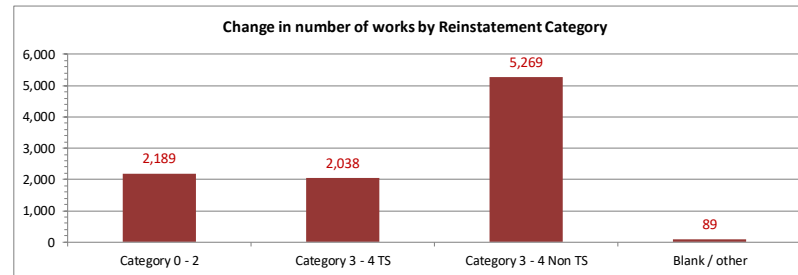


Table A.7: Average works duration & total occupancy

DURATION	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Average duration (days)	4.2	4.3	3.7	2.9	-1.0
Total number of days worked	47,792	46,912	54,400	48,842	8,538

-11.2%
9.0%

Year 1 (Full), Sep-23 to Mar-24, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	16.9	7.6	1.6	3.2	8.4
Total number of days worked	6,049	6,605	18,416	11,913	5,859

Year 1 (Interim), Mar-23 to Aug-23, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	26.0	9.1	1.8	2.8	6.9
Total number of days worked	13,973	8,170	13,420	15,615	3,222

Noticing, 2022, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	20.2	9.4	2.1	4.8	6.6
Total number of days worked	10,014	9,235	14,096	11,196	2,371

Highway authority works promoter

Table A.9: Number of works by category, highway authority

WORKS STOPPED	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Major			172	64	236
Standard			44	54	98
Minor			108	544	652
Immediate - Urgent			2,372	282	2,654
Immediate - Emergency			98	13	111
Total			2,794	957	3,751

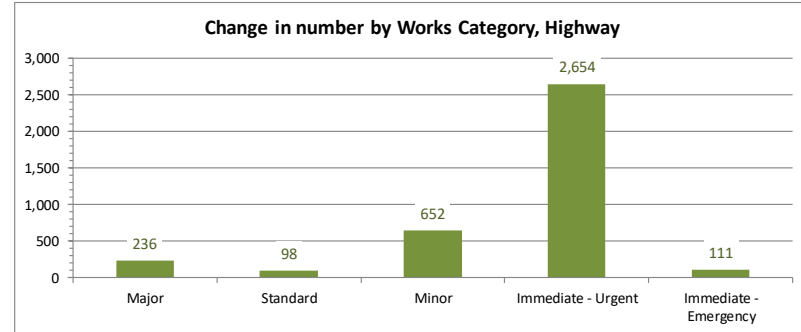


Table A.10: Average works duration & total occupancy, highway authority

DURATION	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not
Average duration (days)			3.2	2.0	2.6
Total number of days worked			8,929	1,889	10,818

Highway occupancy as proportion of total occupancy

16% 4%

Year 1 (Full), Sep-23 to Mar-24, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	4.4	6.0	1.3	1.2	17.8
Total number of days worked	283	323	713	339	231

Year 1 (Interim), Mar-23 to Aug-23, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	27.0	14.5	1.5	1.3	3.1
Total number of days worked	4,647	640	162	3,172	308

Utility works promoters

Table A.12: Number of works by category, public utilities

WORKS STOPPED	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not	
Major	482	507	365	293	-331	-33.5%
Standard	1,006	979	857	818	-310	-15.6%
Minor	6,461	6,845	7,245	10,899	4,838	36.4%
Immediate - Urgent	2,839	2,320	3,141	3,410	1,392	27.0%
Immediate - Emergency	487	358	371	683	209	24.7%
Total	11,275	11,009	11,979	16,103	5,798	26.0%

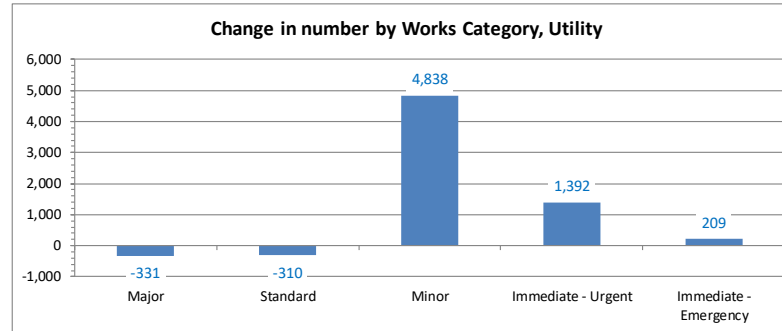
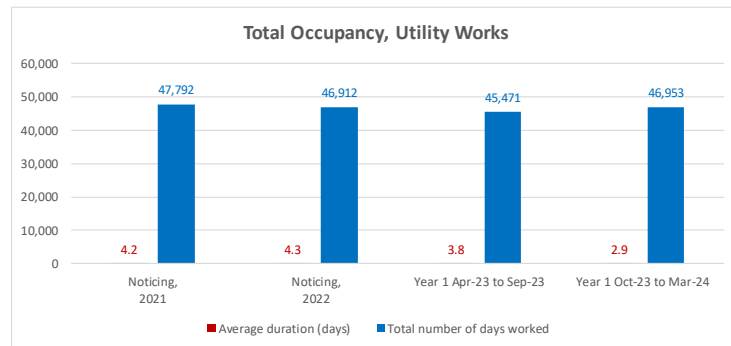


Table A.13: Average works duration & total occupancy, public utilities

DURATION	Noticing, 2021	Noticing, 2022	Year 1 Apr-23 to Sep-23	Year 1 Oct-23 to Mar-24	Diff Yr1 - Not	
Average duration (days)	4.2	4.3	3.8	2.9	-0.9	-10.6%
Total number of days worked	47,792	46,912	45,471	46,953	-2,280	-2.4%

Year 1 (Full), Sep-23 to Mar-24, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	19.7	7.7	1.6	3.4	8.2
Total number of days worked	5,766	6,282	17,703	11,574	5,628



Year 1 (Interim), Mar-23 to Aug-23, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	25.6	8.8	1.8	4.0	7.9
Total number of days worked	9,326	7,530	13,258	12,443	2,914

Noticing, 2022, Duration by works category

	MAJOR	STANDARD	MINOR	IMMED. (URGENT)	IMMED. (EMERG.)
Average duration (days)	20.2	9.4	2.1	4.8	6.6
Total number of days worked	10,014	9,235	14,096	11,196	2,371