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Streetworks

Purpose of report

For discussion and direction.

Summary

This paper briefly sets out the work planned to press for increased influence for local authorities over the quality of streetwork reinstatements by utility companies and their contractors.

Recommendation

Members are asked to consider the planned work on streetworks and also the implications of the recent broadband announcement.

Action

Officers to take actions as directed.

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Background

1. Poor reinstatement by utility companies and their contractors continues to be a financial burden on local authorities and the communities they serve. The cost to local authorities is estimated at £70 million per annum.
2. Successive governments have been reluctant to implement regulations that would give local authorities sufficient powers to deal with this issue.
3. The Board has asked in previous meetings that further work be done on streetworks to impress on government the need for the powers contained in the Traffic Management Act Part 3 to be activated. This report updates the Board on proposed work.
4. Members will also be aware that recent announcements on broadband have suggested that the regulatory framework in which utilities operate could be further relaxed.

Planned work on streetworks

5. One of the key concerns expressed by Government is that inappropriate additional regulation will place a burden on business which will slow economic growth. Councils are sympathetic to this view. However, anecdotally we know that the poor reinstatements which lead to additional road works also places costs on local businesses. We are now seeking to understand this impact in more detail. In partnership with the Association of Convenience Stores, this autumn we will be surveying businesses that rely on good local access so that we can better understand the implications for footfall and income associated with streetworks.
6. In addition to transport regulation, we are considering other approaches to working with the utility companies to address the poor quality of reinstatements and the long-term impact on the integrity of the network. We are developing work which will look at how local government can work more effectively with utility companies and how higher quality outcomes can be incentivised. The aim is for this draft report to be ready before Christmas for consideration by members.
7. Following the publication of the business survey findings we will be seeking further roundtable discussions with the utility companies and Government.

Broadband announcement

8. On 7 September 2012, the Government announced a package of temporary relaxations of planning requirements, which it believes will make it easier for communications providers to deploy broadband infrastructure. The Government has said it will insist that any new local authority streetwork permit schemes approved between now and 2015 are restricted to the most traffic-sensitive streets. It also stated that it will review all existing

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permit schemes and the way works are classified, in order to streamline processes, shorten timescales for approval of works, and reduce fees.

9. Councils are already focussing permit schemes on traffic-sensitive streets and, as permit fees are based on cost recovery, removing them will increase operating costs for local authorities.
10. The LGA's response has been to point out that the real barrier to broadband roll out is the fact the Government does not have the EU's permission to spend the £530 million it wants to allocate to broadband. In the absence of state aid clearance, there will be no substantial superfast broadband programme and resolving this blockage must be the main focus for Government. The LGA has also noted that the drive to meet broadband targets should not force through measures that put local environments and road networks at risk.
11. The Government's announcement appears to be at odds with its previous intention to remove the requirement for the Secretary of State to approve permit schemes. This was consulted upon between January and April this year as part of the Government's localism agenda and DfT Minister, Norman Baker MP, referred at the time to the need to free councils from 'unnecessary bureaucracy'. The responses have yet to be published. The Government's Regulatory Policy Committee has accepted the argument that the burden imposed on businesses carrying out streetworks would be outweighed by the benefits to businesses of reduced congestion, in relation to Lane Rental (which is clearly more burdensome for companies than permit schemes). This suggests that relaxing controls on streetworks will be counter-productive as a means of boosting growth, because any benefit to utility companies will be outweighed by disbenefits arising from congestion.
12. In a recent Parliamentary answer, Norman Baker MP noted that "these [permit] schemes differ in their operation, but evidence shows they are delivering promising improvements to the effective use of the road network". We are continuing to liaise with the DfT on this issue as it seeks to align its policy with the Department for Culture Media and Sports on Broadband.

Conclusion and next steps

13. Members are asked to consider the planned work and also the implications of the recent broadband announcement. (NB. Broadband policy at the LGA is developed by the Culture, Tourism and Sport Board).