

Title: **East Sussex Permit Scheme Formal Consultation Report**
Project: Proposed Modified Permit Scheme
Date: 31st August 2018

Introduction

The formal consultation regarding the proposed modification (Variation) to the East Sussex Permit Scheme ('ESPS') ran for a period of six (6) weeks beginning on the 18th July 2018. The deadline for receipt of responses was no later than 5pm on 29th August 2018.

It was stated in the consultation covering letter that 'all responses received by the 29th August 2018 will be taken into consideration and, if East Sussex County Council consider it to be appropriate, amendments will be made to the proposals.

The proposed changes to the Permit Scheme and an accompanying covering letter was issued to 32 key stakeholder organisations, including local neighbouring Highway Authorities, Utilities, road user representative groups, current IT suppliers and non-government organisations. The list is provided within this document.

During this consultation process there was also a meeting at the Ringmer depot and a positive discussion was held on the proposals, this engagement was undertaken on the 24th August 2018 and was attended by representatives from Utilities.

Some organisations had a number of consultees within them and if known those individuals were contacted directly. The total number of email addresses / individual contacts made was 71.

A total of 62 individual comments on the proposed changes were received by the deadline.

Any additional comments from EToN (IT system group) developers, consultants and legal representatives have been added to the comment list so there is transparency regarding all changes to the proposals.

A list of comments received, and responses or amendments are provided in this document.

List of Consultees who responded by the deadline

1. Openreach
2. Southern Water
3. Virgin Media
4. SEJUG (South East Joint Utilities Group)
5. South East Water
6. Sussex & Surrey Police

No Consultees responded after the deadline.

Consultees Category or Group	
Central Government	
Emergency Services	
Surrounding Local Authorities	
Utility Companies and Section 50 Operators	

This list is a guide to help you in identifying stakeholder groups. You may have a more suitable contact email than the ones I have provided.

Central Government	
Department for Transport	

Emergency Services	
Fire and Rescue Service	Ambulance Service
Police	

Surrounding Local Authorities	
Brighton & Hove City Council	Wokingham County Council
Kent County Council	Slough County Council
West Sussex County Council	Bracknell Forest County Council
Surrey County Council	Kent County Council

Utility Companies and Section 50 Operators	
Openreach	Century Link
South East Water	Vodafone
Southern Water	Royal Mail
UK Power Networks	T-Mobile
SGN	O2
Virgin Media	SSE
Network Rail	Balfour Beatty
Fulcrum	Geo-UK
GTC	National Grid
Morrisons Utility Services	EU Networks
Scotia Gas Networks	Affinity Water
ES Pipelines/Electricity	Energetics Gas UK

Modified Scheme Proposals – Comments Received

Org	Document Section / Reference	Suggested amendment / clarification / comment / question	Response / reply / recommendation
Surrey & Sussex Police Road Policing Unit Operations Command	General	<p>Thank you for your e-mail of 19th July 2018 regarding the proposed modifications to the Permit Scheme.</p> <p>I have reviewed the changes as outlined and at this time there are no relevant comments that I would wish to make.</p> <p>As such I would therefore advise you that Sussex Police have no objections to the proposals as outlined.</p>	Noted and thank you.
Openreach	General	<p>Para 3.3 of the DfT Advice Note for local highway authorities developing new or varying existing permit schemes states “unless there is a very strong benefit case otherwise; it is strongly recommended that permit fees are only applied to the more strategically significant roads: Category 1, 2 roads and Traffic Sensitive Street roads. This will mean that although permits would still be required for works on non-strategic routes, it should be very unlikely that these works would attract a permit fee. These permit applications would receive only ‘notice’ equivalent treatment by the authority.”</p>	<p>There is a strong benefit case for charging fees on all roads. Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.</p>
Virgin Media	General	<p>VM does not believe that charges for Permits on ‘Minor Roads’ (Cat 3 & 4 non traffic sensitive) should be applied. Charges should reflect DfT Permit</p>	<p>The charges comply with the DfT fees table and does reflect a focus on busier streets.</p>

		Guidance which encourages fees being focused on busier streets.	
SEJUG	General & Letter dated 18/7/18	SEJUG does not believe that charges for Permits on 'Minor Roads' (Cat 3 & 4 non traffic sensitive) should be applied. Charges should reflect DfT Permit Guidance which encourages fees being focused on busier streets.	There is a strong benefit case for charging fees on all roads. Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.
Openreach	General	By increasing the fee's to the proposed levels Openreach would have to seriously consider future projects for G-Fast and Superfast Broadband rollout in East Sussex to be not commercially viable. An alternative is for consumer prices to be increased to cover the increase in permit fees	Noted
Virgin Media	General	VM would like to point out that ESH has an existing Network Management Duty under the Traffic Management Act, and general duty of co-ordination under S59 (NRSWA), where ESH has a duty to make an assessment on 'minor roads' so that it can co-ordinate works. ESH should therefore be already carrying out this functionality under NRSWA and should not need to introduce a new fee structure to fulfil this existing duty.	The DfT is actively encouraging the adoption of Permit Schemes under the Traffic Management Act.
Southern Water	General	Southern Water suggests that ESH has an existing Network Management Duty of co-ordination under S59 (NRSWA), so therefore ESH should be already carrying out this functionality for Cat 3 & 4 non traffic sensitive streets under NRSWA and should not need	The DfT is actively encouraging the adoption of Permit Schemes under the Traffic Management Act as they deliver positive results, including when applied to all streets.

		to introduce a new fee structure to fulfil this existing duty.	
Virgin Media	General	The Scheme was modified in 2015 (as per letter dated 1/9/15) to bring the scheme in line with the TMA Permit Scheme amended regulations (2015) but cannot find any ESPS modifications relating to 2016? Was this a modification to the SEPS scheme that is referred to in the letter?	The modification was to the SEPS scheme and covered all members including East Sussex.
Virgin Media	General	VM has serious concerns that Permit charges of £45 & £40 are being proposed for minor & immediate works on minor roads, and does not support this proposal. As mentioned above, Works should not affect congestion at all on 'minor' roads, so the permit fee should reflect the lack of congestion caused (i.e. zero). VM would rather see Zero Immediate and Minor Permit fees.	Fees are focused on busier roads. The proposed total Permit cost for major works is £345 compared to an immediate minor works of £40.
Virgin Media	General	VM believe that with the introduction of fees proposed on minor roads, it may reduce the County's ability to receive priority services such as upgrades to broadband services and could result in an increase to customer tariffs.	Noted
Virgin Media	General	VM would like to see a clear table showing 3 years' worth of data of income and expenditure and a clear forecast of expected costs and shortfalls.	Table 69 of the CBA has Financial Calculations. Tables 62 and 63 of the Evaluation report contains cost and revenue figures.
Virgin Media	General	VM is aware of the ESH 'Permit Scheme Evaluation Report 2016' for the 3rd year of the scheme, but cannot find any previous evaluation reports, or updated evaluation reports.	A single report covering the entire period has been prepared so an overview of the network performance could be assessed. Previous reports were prepared and published for years 1 and 2.

Virgin Media	General	VM is surprised that ESH are looking at introducing Permit fees to minor roads as the 2016 Evaluation report states that 'The East Sussex Permit Scheme has been a success', states a surplus for the second year of £34k, and then states 'it is not the intention of East Sussex County Council to alter our Fee Matrix at this time. It would be advisable to consider the results of the third year, to establish a trend before changing our fees as this will give more continuity to our Permit Scheme'.	The original success of the scheme is within the context of the original scheme scope. The CBA determined that there is considerable benefit to additional resources co-ordinating all works.
Southern Water	General	Southern Water has a copy of the ESH 'Permit Scheme Evaluation Report 2016' for the 3rd year of the scheme, but cannot find any previous evaluation reports, or updated evaluation reports. As per the SEJUG response, Southern Water is unsure why ESH are looking at introducing Permit fees to minor roads as the 2016 Evaluation report states that 'The East Sussex Permit Scheme has been a success', then mentions a surplus for the second year of the scheme at £34k, and then states 'it is not the intention of East Sussex County Council to alter our Fee Matrix at this time. It would be advisable to consider the results of the third year, to establish a trend before changing our fees as this will give more continuity to our Permit Scheme'. With this in mind, would it not make sense for ESH to carry out an updated evaluation before an increase in Permit fees is considered?	The original success of the scheme is within the context of the original scheme scope. The CBA determined that there is considerable benefit to additional resources co-ordinating all works. A single report covering the entire period has been prepared so an overview of the network performance could be assessed. Previous reports were prepared and published for years 1 and 2.
Southern Water	General	The above need for an updated evaluation is reinforced by 16A of 'The Traffic Management Permit Scheme (England)(Amendment) Regulations 2015, which ' make the Permit Authority legally bound to produce an evaluation for	A single report covering the entire period has been prepared so an overview of the network performance could be assessed.

		<p>1st 3 years of the Scheme, then every 3 years, with the evaluation stating 'whether the fee structure needs to be changed in light of any surplus or deficit'. This is also expanded on in the DfT 'Advice Note For local highway authorities developing new or varying existing permit schemes' June 2016. 7.1 of this note states 'As national policy and local circumstances change there may be times when a scheme needs to be varied. However, please note that the need for a variation should be based on clear evidence. At the very least data should be collected during scheme operation and the last scheme evaluation (see the requirements of regulation 16A) to facilitate this'.</p>	<p>Previous reports were prepared and published for years 1 and 2.</p> <p>There is a strong benefit case for charging fees on all roads. Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.</p>
Virgin Media	General	<p>DfT 'Advice Note For local highway authorities developing new or varying existing permit schemes' June 2016- 7.1 ' As national policy and local circumstances change there may be times when a scheme needs to be varied. However, please note that the need for a variation should be based on clear evidence. At the very least data should be collected during scheme operation and the last scheme evaluation (see the requirements of regulation 16A) to facilitate this'.</p>	<p>There is a strong benefit case for charging fees on all roads. Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.</p>
Virgin Media	General	<p>VM therefore suggests a need for another clear evaluation to demonstrate the need for increased permit fees, showing 3 years of data / expected costs & shortfalls</p>	<p>Another evaluation will be performed after a year of operating under the new resourcing and fee regime.</p>
Openreach	General	<p>Openreach therefore do not support East Sussex proposal to commence charging for all permits. Openreach believe whilst permits may still be applied for and agreed on category 3, 4 and non TS routes; the equivalent of noticing treatment should be given to these permits.</p>	<p>Noted</p>

Openreach	General	As a balanced view Openreach would support the increase in fees on strategically significant streets i.e. cat 0 -2 and traffic sensitive streets if this will help the authority cover the costs of running a permit scheme. Openreach however do not support the introduction of fees on the lower category of streets	Noted
SEJUG	General & Letter dated 18/7/18	SEJUG would like to point out that ESH has an existing Network Management Duty under the Traffic Management Act, and general duty of co-ordination under S59 (NRSWA), where ESH has a duty to make an assessment on 'minor roads' so that it can co-ordinate works. ESH should therefore be already carrying out this functionality under NRSWA and should not need to introduce a new fee structure to fulfil this existing duty.	The proposal is to increase resources so that a greater degree of co-ordination can be undertaken. In a recent DfT published survey of LHAs 83% agreed or strongly agreed that their Permit Scheme had led to a reduction in the duration of the works.
SEJUG	General & Letter dated 18/7/18	2nd paragraph - the Scheme was modified in 2015 (as per letter dated 1/9/15) to bring the scheme in line with the TMA Permit Scheme amended regulations (2015) but cannot find any ESPS modifications relating to 2016? Was this a modification to the SEPS scheme that is referred to in the letter?	The modification was to the SEPS scheme and covered all members including East Sussex.
Southern Water	General & Letter dated 18/7/18	Southern Water would like clarity on the 2nd paragraph in the letter, where it states the Scheme was modified in 2015 (as per letter dated 1/9/15 from Graeme Lake), which was to bring the scheme in line with the TMA Permit Scheme amended regulations (2015). Southern Water cannot find any ESPS modifications relating to 2016? Is it the overall SEPS scheme that is referred to here?	The modification was to the SEPS scheme and covered all members including East Sussex.
SEJUG	General & Letter dated 18/7/18	7th paragraph - SEJUG is very concerned about the comment relating to the 'Intention of ESPS to the reduce number of road works'. This is not possible as	The DfT expect that the key objective of a Permit scheme is the reduction of works by 5%. All Permit Schemes are

		all Utility works are essential and cannot be reduced as required for safety and security of service.	measured against this assumption. The 5% reduction can be achieved by number, duration and size.
Southern Water	General & Letter dated 18/7/18	7th paragraph - Southern Water supports SEJUG in its serious concern about the comment relating to the 'Intention of ESPS to the reduce number of road works'. Southern Water can confirm that it is not possible reduce any of its works. All Southern Water works are essential & carried out for the purpose of safety, security of supply, ensuring safe, secure and reliable essential water & wastewater suppliers. Southern Water does agree that any planned disruption needs to be co-ordinated, but to be clear does not see how the number of its works can be reduced.	The DfT expect that the key objective of a Permit scheme is the reduction of works by 5%. All Permit Schemes are measured against this assumption. The 5% reduction can be achieved by number, duration and size.
SEJUG	General & Letter dated 18/7/18	SEJUG would like to ask why ESH have not followed previous SEPS consultation formats as per Permit Fee increases (for example Surrey CC)?	East Sussex is performing a formal consultation process set out in Regulation 3 with the inclusion of a discussion meeting.
Southern Water	Proposed Fees Table	Southern Water does not believe that charges for Permits on 'Minor Roads' (Cat 3 & 4 non traffic sensitive) should be applied. Charges should reflect DfT Permit Guidance which encourages fees being focused on busier (Traffic Sensitive) streets.	Fees are focused on busier roads. The proposed total Permit cost for major works is £345 compared to an immediate minor works of £40.
SEJUG	Proposed Fees Table	SEJUG has serious concerns that Permit charges of £45 & £40 are being proposed for minor & immediate works on minor roads, and does not support this proposal. As mentioned above, Works should not affect congestion at all on 'minor' roads, so the permit fee should reflect the lack of congestion caused (i.e. zero). SEJUG members would rather see Zero Immediate and Minor Permit fees, and to offset this,	A detailed assessment of the time required to co-ordinate all works types has been undertaken using experience gained from other successful schemes. The proposed cost of this time is recovered from fees.

		the fee levels on strategic streets could be increased to maximum.	
Southern Water	Proposed Fees Table	Along with SEJUG, Southern Water does not support Permit charges of £45 & £40 for minor & immediate works on minor roads. Southern Water is not convinced that its works (generally short duration) affect congestion to warrant this suggested Permit fee. Southern Water suggests ESH continue with Zero Immediate and Minor Permit fees on 'minor roads', and offset this by increasing the fee levels on strategic streets to maximum, where congestion has the most effect. Southern Water would not be averse to an increase in the fee for standard works to offset zero fees for minor & immediate works.	A detailed assessment of the time required to co-ordinate all works types has been undertaken using experience gained from other successful schemes. The proposed cost of this time is recovered from fees. There is also a strong benefit case for charging fees on all roads. Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.
SEJUG	Proposed Fees Table	SEJUG would like ESH to demonstrate the benefits for Cat 3 & 4 non traffic streets to justify a permit charge. What will new Permit co-ordinators be doing for Cat 3 & 4 non traffic sensitive streets to justify over an above ESH statutory duty under NRSWA?	There is a strong benefit case for charging fees on all roads. Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.
Southern Water	Proposed Fees Table	Can ESH demonstrate the benefits for Cat 3 & 4 non traffic streets to justify a permit charge and what will ESH be doing over & above their statutory duty to co-ordinate under s59 (NRSWA) to warrant a permit fee on Cat 3 & 4 non traffic sensitive?	There is a strong benefit case for charging fees on all roads. Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value

			(NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.
SEJUG	Proposed Fees Table	SEJUG members would like to remind ESH that Permit Fees are deemed as an allowable cost by Utility Regulators, which could result in a larger increase in Customer Bills due to 'efficient' permit costs being allowed to be passed back to customers.	Noted
SEJUG	Proposed Fees Table	SEJUG members fear that with the introduction of the fees proposed on minor roads, it may reduce the County's ability to receive priority services such as upgrades to broadband and car charging points.	Noted
Southern Water	Proposed Fees Table	Any substantial Permit fee increases will most likely result in a cost increase to customers, as OFWAT have deemed Permit fees as an 'efficient' allowable cost.	Noted
SEJUG	Proposed Fees Table	Have ESH consulted with other 'rural' Permit Authorities in the SEHAUC Region where Cat 3 & 4 Non TS streets are not being charged for? For example, Kent CC (Zero fee on minor roads) and Hampshire CC - where zero fee is being proposed under current consultation)? West Sussex CC also more reasonable charges being applied (£20 for minor works on 'minor roads').	Neighboring Authorities have been consulted as part of this process.
Southern Water	Proposed Fees Table	Have ESH consulted with other 'rural' Permit Authorities (outside of SEPS) where no Permit fee applies to Cat 3 & 4 Non TS streets? Kent CC have a Zero Permit fee on minor roads. Southern Water would also like to flag up that Hampshire CC are currently undertaking a consultation for a Permit Scheme that introduces zero permit fees on 'minor roads (Cat 3 & 4 non traffic sensitive streets). Southern Water strongly applauds this approach. West Sussex CC do charge a Permit fee for 'minor roads', but it is set at a more sensible level of £20 for minor works.	Neighboring Authorities have been consulted as part of this process.

Southern Water	Cost Benefit Analysis Summary	Following on from the above point, Southern Water SEJUG believes the data in tables 1 & 2 are completely flawed, due to the fact highlighted above that there cannot be a 5% reduction in Southern Water's works (or any other Utility Works), as all Southern Water works are essential.	The DfT expect that the key objective of a Permit scheme is the reduction of works by 5%. All Permit Schemes are measured against this assumption. The 5% reduction can be achieved by number, duration and size.
SEJUG	Cost Benefit Analysis Summary	SEJUG would like to know if ESH has data available on the levels of disruption caused on 'minor roads' from utility works, so that an assessment can be made?	<p>The individual costs for each work type and reinstatement category (RC 0-2 and 3-4) are shown in Appendix B of the CBA. Each table total shows the impact for Major, Standard, Minor and Urgent works for High and Low duration. For the purpose of the CBA an average of the High and Low is used to obtain the 5% as shown in Table 61.</p> <p>The calculations for the RC 3-4 impact from the tables is:</p> <p>High costs on Pages 23, 25, 35 and 43 (£307,987,980)/ Low costs on Pages 24, 26, 36 and 44 (£177,181,887) = £242,584,933</p> <p>Cost Saving at 5% = £12,129,247 Cost Saving at 10% = £24,258,493</p>
SEJUG	Cost Benefit Analysis Summary	SEJUG would like to see an evidence basis for the cost & benefit data shown (for example no explanation for £8.5m on greenhouse gases (which SEJUG believes to be not relevant).	Please see the detailed Cost Benefit Analysis.
SEJUG	Cost Benefit Analysis Summary	How do ESH justify figures of over £1 Billion?	Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year

			appraisal length giving a Benefit:Cost Ratio of 43.94:1.
SEJUG	Cost Benefit Analysis Summary	SEJUG would like to see a clear table showing 3 years worth of data of income and expenditure and a clear forecast of expected costs and shortfalls. SEJUG finds it difficult to respond to this as the as the CBA data is not clear.	Table 69 of the CBA has Financial Calculations. Tables 62 and 63 of the Evaluation report contains cost and revenue figures.
Southern Water	Cost Benefit Analysis Summary	Does ESH have data available on the levels of disruption caused on 'minor roads' from utility works, so that a more balanced assessment can be made? Can ESH provide 3 years worth of data of income and expenditure and a clear forecast of expected costs and shortfalls for the ESPS?	The data is included within the CBA. Table 69 of the CBA has Financial Calculations. Tables 62 and 63 of the Evaluation report contains cost and revenue figures.
SEJUG	Cost Benefit Analysis Summary	SEJUG believes data in tables 1 & 2 are completely inaccurate, mainly due to the fact that there cannot be a 5% reduction in works, as all Utility works are essential as stated above.	The DfT expect that the key objective of a Permit scheme is the reduction of works by 5%. All Permit Schemes are measured against this assumption. The 5% reduction can be achieved by number, duration and size.
SEJUG	Cost Benefit Analysis Summary	SEJUG is aware of the ESH 'Permit Scheme Evaluation Report 2016' for the 3rd year of the scheme, but cannot find any previous evaluation reports, or updated evaluation reports.	A single report covering the entire period has been prepared so an overview of the network performance could be assessed. Previous reports were prepared and published for years 1 and 2.
SEJUG	Cost Benefit Analysis Summary	SEJUG is surprised that ESH are looking at introducing Permit fees to minor roads as the 2016 Evaluation report states that 'The East Sussex Permit Scheme has been a success', states a surplus for the second year of £34k, and then states 'it is not the intention of East Sussex County Council to alter our Fee Matrix at this time. It would be advisable to consider the results	The original success of the scheme is within the context of the original scheme scope.

		of the third year, to establish a trend before changing our fees as this will give more continuity to our Permit Scheme'.	
SEJUG	Cost Benefit Analysis Summary	SEJUG members note that 16A of 'The Traffic Management Permit Scheme (England)(Amendment) Regulations 2015' make the Permit Authority legally bound to produce an evaluation for 1st 3 years of the Scheme, then every 3 years, with the evaluation stating 'whether the fee structure needs to be changed in light of any surplus or deficit'. Could ESH please provide the missing evaluation reports, and a recent evaluation report to support an increase in fee costs?	A single report covering the entire period has been prepared so an overview of the network performance could be assessed. Previous reports were prepared and published for years 1 and 2.
SEJUG	Cost Benefit Analysis Summary	DfT 'Advice Note For local highway authorities developing new or varying existing permit schemes' June 2016- 7.1 ' As national policy and local circumstances change there may be times when a scheme needs to be varied. However, please note that the need for a variation should be based on clear evidence. At the very least data should be collected during scheme operation and the last scheme evaluation (see the requirements of regulation 16A) to facilitate this'.	Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.
SEJUG	Cost Benefit Analysis Summary	SEJUG therefore suggests need another clear evaluation to demonstrate the need for increased permit fees. Need full 3 years of data / expected costs & shortfalls	Another evaluation will be performed after a year of operating under the new resourcing and fee regime.
South East Water	Evaluation reports	'The Traffic Management Permit Scheme (England)(Amendment) Regulations 2015' highlights that the Permit Authority is legally bound to produce an annual evaluation for the 1 st 3 years of the scheme and thereafter every 3 years, with the evaluation stating whether the fee structure would need to be amended in light of any surplus	A single report covering the entire period has been prepared so an overview of the network performance could be assessed. Previous reports were prepared and published for years 1 and 2.

		or deficit'. There are some evaluation reports yet to be submitted by ESH.	
South East Water	Evaluation reports	There is a 'Permit Scheme Evaluation Report 2016' for the 3 rd year of the East Sussex scheme. Could ESH please advise where the previous evaluation reports can be found?	A single report covering the entire period has been prepared so an overview of the network performance could be assessed. Previous reports were prepared and published for years 1 and 2.
South East Water	Evaluation reports	The 2016 East Sussex Evaluation Report states, 'The East Sussex Permit Scheme has been a success'. The 2 nd year of the scheme reported a surplus of £34,000, then the report goes on to state, 'it's not the intention of East Sussex County Council to alter the fee matrix at this time. It would be advisable to consider the results of the 3 rd year to establish a trend before changing our fees as this gives more continuity to our permit scheme.' The statements above make it surprising that minor roads are now being proposed to have permit fees introduced on them.	The original success of the scheme is within the context of the original scheme scope.
South East Water	Scheme Costs	Since 3 years of data is required to show the expected costs and shortfalls, there is the need for another evaluation to demonstrating the need for the proposed increased permit fees.	Another evaluation will be performed after a year of operating under the new resourcing and fee regime.
South East Water	Scheme Costs	The CBA data is not clear. SEW would benefit from seeing an income and expenditure sheet with data from the last three years and as mentioned in the above bullet point, show a clear forecast of expected costs and shortfalls.	Table 69 of the CBA has Financial Calculations. Tables 62 and 63 of the Evaluation report contains cost and revenue figures.
South East Water	Scheme Costs	Could ESH show justification of the £1.4 Billion figure?	The analysis is over a 25 year appraisal length so the numbers can appear high.
South East Water	Cost Benefit Analysis	Could ESH provide data on the levels of disruption caused on minor roads from utility works to assist in making an assessment?	The individual costs for each work type and reinstatement category (RC 0-2 and 3-4) are shown in Appendix B of the CBA. Each table total shows the impact for Major, Standard, Minor and Urgent works for High and

			<p>Low duration. For the purpose of the CBA an average of the High and Low is used to obtain the 5% as shown in Table 61.</p> <p>The calculations for the RC 3-4 impact from the tables is:</p> <p>High costs on Pages 23, 25, 35 and 43 (£307,987,980)/ Low costs on Pages 24, 26, 36 and 44 (£177,181,887) = £242,584,933</p> <p>Cost Saving at 5% = £12,129,247 Cost Saving at 10% = £24,258,493</p>
South East Water	Cost Benefit Analysis	The advice note from the Department for Transport 'Advice for local Highway Authorities developing new or varying existing Permit Schemes' June 2016-7.1 'As National Policy and local circumstances change, there may be times when a scheme needs to be varied. However, please note that the need for a variation should be based on clear evidence. At the very least data should be collected during scheme operation and the last scheme evaluation (see the requirements of regulation 16A) to facilitate this.	There is a strong benefit case for charging fees on all roads. Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.
South East Water	General/Letter dated 17/08/2018	Charges for permits on 'minor roads' (category 3, 4 & non-traffic sensitive) should not be applied. Department for Transport Permit scheme guidance encourages fees to be focused on busier streets.	Fees are focused on busier roads. The proposed total Permit cost for major works is £345 compared to an immediate minor works of £40.
South East Water	General/Letter dated 17/08/2018	No modification to the current permit scheme is needed in order for ESH to fulfil its existing network management duties under the TMA as well as the general duty of coordination under NRSWA 1991, section 59. Under these acts, ESH is to make an	It is correct that the current Permit Scheme is not being modified as it has been modified already. The modification is to the fee structure to allow for additional resources.

		assessment on 'minor roads' so that it can coordinate works.	
South East Water	General/Letter dated 17/08/2018	Why has ESH not followed the SEPS consultation formats relating to permit fee increases (Surrey successfully followed this format)	East Sussex is performing a formal consultation process set out in Regulation 3 with the inclusion of a discussion meeting.
South East Water	General/Letter dated 17/08/2018	Utility works are essential and it is concerning to read that ESH under the modified permit scheme has the intention to reduce the number of road works? As required by safety and security of service our roadworks cannot be reduced.	The DfT expect that the key objective of a Permit scheme is the reduction of works by 5%. All Permit Schemes are measured against this assumption. The 5% reduction can be achieved by number, duration and size. For example, in a recent survey of LHAs 83% agreed or strongly agreed that their Permit Scheme had led to a reduction in the duration of the works.
South East Water	Proposed Fees Table	Minor and Immediate works on minor roads should not be charged at all as road works should not have an effect on congestion on such roads.	The CBA determined that there is considerable benefit to additional resources co-ordinating all works.
South East Water	Proposed Fees Table	Utility regulators will assess the permit fees as 'allowable costs' which also means that they can be passed on to the customer. The modified ESH scheme will eventually reflect in the customers' increased bill figures.	Noted. This has been the case since the introduction of Permits in 2009.
South East Water	Proposed Fees Table	Rural Permit Authorities generally charge nothing for works on their minor roads e.g. Kent CC, West Sussex (reasonable fees for minor works on minor roads) & Hampshire (zero fees being proposed)	It is up to each Authority to consider their costs and the benefits of their proposed charging regime.

South East Water	Proposed Fees Table	What will be the benefits for road categories 3 & 4 non TS streets to justify the proposed permit charge?	There is a strong benefit case for charging fees on all roads. Using a recognised methodology the modified Permit scheme benefit at 5% is £1,494,327,296 with costs of £34,009,483 and a Net Present Value (NPV) of £1,460,317,812 over a 25 year appraisal length giving a Benefit:Cost Ratio of 43.94:1.
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