

TRANSPORT FOR LONDON

SURFACE TRANSPORT PANEL

SUBJECT: UPDATE ON LANE RENTAL SCHEME

DATE: 11 MAY 2011

1 PURPOSE

- 1.1 The purpose of this paper is to update the Surface Transport Panel on the progress being made by TfL to introduce a Lane Rental Scheme on the Transport for London Road Network (TLRN).
- 1.2 The Panel is asked to note the paper.

2 BACKGROUND

- 2.1 In 2010/2011, there were around 42,000 sets of roadworks undertaken on the TLRN, which accounted for 31 per cent of serious and severe disruption. The cost of roadworks disruption on the TLRN alone is around £300m per annum.
- 2.2 The Mayor's Code of Conduct for Roadworks, introduced in April 2009, and the introduction of the London Permit Scheme (LoPS) in January 2010, have helped to improve cooperation between the highway authorities and utility companies undertaking works in the Capital, facilitating greater coordination of works to reduce disruption.
- 2.3 Although TfL has been successful in delivering a 13 per cent reduction in the overall volumes of road works on the TLRN over the last 12 months (and a 32 per cent reduction in the amount of delay and disruption they cause), there is still significant public, political and business expectation for a much greater reduction in the impact of roadworks on traffic flows and the pedestrian environment. Fundamental change is therefore needed in the way street works are undertaken, particularly incentives for utility companies to find new ways of working that avoid, or severely reduce, the need to dig up the Capital's busiest roads at the busiest times of day.
- 2.4 The Department for Transport (DfT), as part of its Street Works Action Plan (dated 15 October 2009), agreed to develop and consult on proposals for new regulations (under the Traffic Management Act 2004). This would allow local authorities to introduce a Lane Rental Scheme for road and streetworks and that would require those that dig up the roads to pay a daily charge for occupation of the carriageway during busy traffic periods.
- 2.5 The Mayor and TfL have lobbied the DfT to introduce the necessary regulations as quickly as possible so that TfL could apply to operate a targeted Lane Rental scheme on the busiest roads in London.
- 2.6 The DfT is now drafting new regulations and, in parallel, TfL has been progressing proposals for a lane rental scheme on the TLRN.

3 DEVELOPING A LANE RENTAL SCHEME ON THE TLRN

3.1 It is intended that TfL's Lane Rental scheme will be:

- (a) **Targeted:** Unlike permitting, which covers all roads managed by a permitting authority, in London, the scheme would be 'targeted' on only those parts of the road network with the heaviest traffic problems. While congestion is generally thought of as an endemic problem on the entire road network, the vast majority of it is in fact concentrated on a very small number of roads. Around 85 per cent of congestion on the TLRN occurs on around 50 per cent of its roads (less than three per cent of London's total road network). TfL is therefore focussing its efforts on reducing serious and severe disruption at these locations, identified as Congestion Management Areas (CMAs).
- (b) **Avoidable:** In order to minimise excessive costs to the industry, and as far as possible, minimise the potential for charges to be passed on to utility customers, there should be certain times (of the day, week or year) when charges are 'avoidable', such that utilities still have reasonable opportunities to carry out work outside of peak traffic hours, without incurring lane rental charges. The times the charge will apply will vary on a location by location basis, depending on the traffic sensitivity of the network. For some streets lane rental charges may only apply in peak traffic hours or during the working week. At other locations, because of overall traffic sensitivity, the chargeable time may extend right across the working day and into the evening and/or weekends. At these locations, TfL will look to make charge free time available to works promoters at times of the year when traffic flows are lower (for example in the school summer holidays when traffic volumes are typically lower than at other times of the year). Thus, providing a works promoter can carry out its works in such a way that they do not occupy the carriageway during 'chargeable' times, they will incur no cost.
- (c) **Economically justifiable:** Approximately 27,000 roadworks take place in the CMAs and are responsible for around 84 per cent of the hours of serious and severe disruption caused by roadworks on the TLRN each year. They account for around £255m per annum of the total economic cost of roadworks disruption on the TLRN, at an average cost of around £3,000 per day for each set of works undertaken. The aim of the scheme will be to provide a significant enough financial incentive for works promoters to change the way they work to substantially reduce this disruption, while not being out of proportion to the economic costs identified above.

3.2 While exact details of the proposed charging scheme are still being worked up, TfL anticipates charges of up to £2,500 per day. These are considered to be significant enough to affect the type of behaviour change required, but still below the typical economic costs of disruption identified above.

3.3 The initial impact of the scheme will be two-fold:

- (a) First, wherever practical and economically advantageous, some works would be transferred to non-chargeable times;
- (b) Secondly, where lane rental charges of some sort would apply, works promoters would be incentivised to shorten the duration of works.

4 TECHNOLOGY DEVELOPMENT

4.1 The benefits of Lane Rental relate partly to the immediate behaviour change the scheme will incentivise but also to longer term changes in construction practices and behaviours that will enable more works to be completed out of hours to minimise traffic disruption. This will require the development and implementation of new technology and working practices that go well beyond what is possible today. These include:

- (a) Development of 'no dig' technology (eg directional drilling, pipe busting, pipe lining, fast track condition assessment etc).
- (b) The development of faster trench reinstatement materials that enable roads to be reopened more quickly following the completion of works.
- (c) Development of temporary reinstatement techniques, including 'plating' and bridging solutions, a small amount of which is currently used within London (eg by Thames Water for spanning small transverse road trenches).
- (d) In the longer term, the creation of more 'pipe subways' at key strategic junctions on the network such that, when major mains renewals need to be carried out in the future, they can be done working under the carriageway without the need to dig it up again.

4.2 It has been agreed that one of the main features of the scheme will be to use the income generated (net of operational costs) to reinvest in the development and implementation of innovative technologies and working practices, through the creation of a technology development fund.

4.3 To expedite the development and use of such technology, the DfT and TfL have agreed to jointly fund research, being taken forward by the Transport Research Laboratory, which will specifically look at faster curing reinstatement and temporary backfill materials, as well as bridging and plating techniques. The project commenced in April 2011 and will continue for up to 18 months.

5 STAKEHOLDER SUPPORT

5.1 In developing its lane rental approach, TfL has engaged with the business community, utility industry stakeholders and the London Boroughs. London Councils endorsed proposals for a targeted lane rental scheme on the TLRN in the Road Management Concordat agreed with the Mayor, and there has been positive support from individual London Boroughs. In its 'Road Sense' document, LondonFirst, representing the Capital's leading employers, also champion the introduction of a targeted lane rental scheme.

- 5.2 The National Utilities Group (NJUG) and the National Joint Authorities Group (NJAG), the national bodies representing utility works promoters and Highway Authorities, have indicated support for a targeted Lane Rental Scheme that focuses on London's most congested routes (NJUG made this clear in a position statement on lane rental, issued in October 2010), providing that a similar regime also applies to highway works.
- 5.3 TfL will continue to work with utility company partners, under the Mayor's Code of Conduct for Roadworks, to further develop its lane rental proposals.

6 BENEFITS

- 6.1 Overall, TfL believes the scheme could eventually deliver a 40 per cent reduction in serious and severe disruption from roadworks on the TLRN and save London's economy around £78m a year in economic and social costs.
- 6.2 Subject to consultations by both the DfT and TfL, planned for the summer, and approvals for both the national regulations and the TLRN Lane Rental scheme, it is TfL's aspiration to introduce lane rental charges from spring 2012.

7 RECOMMENDATION

- 7.1 The Panel is asked to NOTE the paper.

8 CONTACT

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