

Question 1: Do you agree with our assessment and the proposed adjustments to the revenues associated with TMA for the three GDNs, North London, Southern and Scotland?

No.

TfL welcomes Ofgem's proposals to not to grant any allowances in regards to fixed penalty notices as it is TfL's view that all such costs can be avoided if work promoters adhere to the Regulations.

However TfL strongly also believes that many of the other costs associated with the Traffic Management Act are also easily avoidable and should therefore not be passed onto consumers.

TfL does not therefore agree that SGN should be granted any further allowances against permits or ongoing administration costs as permits schemes have been in force since January 2010 and SGNs systems and processes should, by now, be well established.

TfL also strongly believes that all S74 overstay charges are avoidable and again therefore, should not be passed onto consumers. TfL figures show that very few works undertaken by both NGG and SGN incur an overstay charge with only 3.94% of NGG works incurring a charge and 6.29% of SGN works incurring a charge.

<i>S74</i>	<i>No of S74 works</i>	
NGG	17	3.94%
SGN	31	6.29%

The Regulations clearly state that all charges imposed on works promoters must be reasonable. Indeed the relevant regulations are entitled "The Street Works (Charges for Unreasonably prolonged Occupation of the Highway)". Under these Regulations, works promoters can apply for variations to extend the duration of their works if they have reasonable grounds for doing so. Highway authorities cannot refuse reasonable requests and so there is no reason why overstay charges should be incurred. Indeed, the figures collated by TfL in the table above show that, even once a charge has been incurred, by providing suitable representation, such charges can be, and often are waived as can be seen from the table below:

	S74 Charges invoiced/waived			
	Incurred	Waived	Invoiced	% waived
NGG	£103,500.00	£53,500.00	£50,000.00	51%
SGN	£63,100.00	£21,700	£41,400.00	34%

Question 2: Do you agree with our assessment of costs associated with lane rental?

TfL welcomes Ofgem's proposal not to grant any allowances for lane rental.

TfL's Lane Rental scheme has been designed to be both targeted and avoidable, covering the busiest 57% of the TfL network and accounting for only 2% of London's roads. The scheme also applies to both utility company and TfL works. By encouraging companies to carry out their work overnight or during off-peak hours, all road users - including drivers, cyclists and bus passengers - will benefit from more reliable journey times and less disruption. The principles of the scheme would be completely undermined if utilities were able to simply pass on these avoidable costs to consumers.