



HIGHWAY AUTHORITIES & UTILITIES COMMITTEE

SYSTEMS GROUP HAUC ENGLAND AND WALES

Clarification for the Management of Inspection Units

This document only applies to England and Wales (where applicable). Scotland and Northern Ireland use different methods for managing their Inspection Units but may find some of the points raised of interest.

Purpose

This document provides clarification for utility company and highway authority users when managing sample inspections within their respective Street Works Management Systems.

The problems experienced across the Street Works community associated with the calculation of sample inspections came high on the list of issues following the recent Systems Group's survey. The Group aims to help users by providing clarification about perceived inconsistencies and understanding of the various Management Systems' operation.

Background

The Systems Group has been set up by HAUC(UK) to help the industry improve operational efficiency of Street Works Management Systems and to provide simple guidance for users of the systems.

The Group is made up of highway authority and utility representatives; software developers do not sit on this HAUC(UK) working group, but as part of the process the Group will invite comment when specific issues arise about system operability. Similarly, the Group will work closely with the other Working Groups to ensure that respective principles are maintained.

It will not be possible to resolve all queries or issues as some of these arise due to system connectivity with other Works Management Systems that in some cases drive the ETOn software.

In this document references are made to the Code of Practice for Inspections (2nd Edition September 2002) and The Street Works (Inspections Fees) (England) Regulations 2002.

Detail

Set out below is a summary of points that the HAUC(UK) Systems Group has discussed as a result of the recent systems questionnaire. This response gives their view in terms of the rules, roles and responsibilities for Sample Inspections.

In terms of system operability there are some basic rules that need to be considered and adhered to:



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1. It is expected that a highway authority ensures that it completes the agreed number of Sample Inspections of utility works in each financial year.
2. The highway authority needs to ensure that the Inspection Results have successfully transmitted to the respective utility. It should be noted that transaction reports within the notice management systems cannot be relied upon as they may suggest files have been sent and received when actually they have not.
3. The utility can request lists of completed Sample Inspections undertaken to confirm a record of the Inspection Result. Where there are discrepancies in numbers, this may be as a result of item 2 above and the missing results will need to be retransmitted to complete the record.
4. Where a highway authority has failed to complete the agreed annual quota of Sample Inspections, then the highway authority will only receive a fee for those Sample Inspections that have been completed.

The Inspections Code of Practice suggests that invoices for these should be split into four quarters with the last invoice reflecting the inspections not completed, should that arise (Section 6.8). Some utilities may prefer an annual invoice if the sample amount is low and this would normally be agreed mutually. A highway authority may carry out more Inspections more than the agreed quota but payment will only be made for those up to the agreed Sample Inspection figure.

There are some systems that restrict a highway authority to carry out Sample Inspections up to the agreed respective quotas and not more. It should be further noted that if the quotas are exceeded, systems may name them differently, which could potentially skew Sample Inspection performance figures etc.

5. A number of comments in the survey were made about the scheduling of Sample Inspections particularly where a low sample has been generated thus not allowing highway authorities to meet their target. Highway authorities should monitor Sample Inspection generation and where the sample number is too low, the highway authority should be able to manually adjust the numbers to ensure enough samples are generated. Any concerns about doing this should be discussed with your Software System provider.
6. All Street Works Management Systems should be consistent in the calculation of Inspection Units. The base for these calculations is that the actual Inspections Units recorded on all Full Registration Notices (Interim and Permanent Reinstatements) served within each of the preceding three years are averaged out as set out below.

(Regulations state that a chargeable inspection of works is an inspection at random of not less than 10 per cent and not more than 10.5 per cent of each phase of works, and not more than 30 per cent of the total number of reckonable units of inspection in any year. The number of sample inspections for any year shall be based on the actual number of units of inspection averaged over the previous three financial years for that utility. This is to enable the annual charge to be determined. The total number of chargeable inspections (sample) shall not exceed 30% of the actual number of units of inspection calculated. The



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estimated number is then split in that the number in each of the three categories shall be 10% of the actual number of units of inspection subject to a tolerance of plus or minus 0.5%.

The following example illustrates the calculations:

If the actual number of units of inspection in the previous three years are 1,100, 925, and 975 respectively the average number of units of inspection for the three-year period equals 1,000. This is achieved by the following formula: $(1,100 + 925 + 975) \div 3 = 1,000$.

Therefore the estimated number of sample inspections is 300. This is found by using the following formula: $1,000 \times 30 \div 100 = 300$.

These are split over the three categories. For example, Category A could be 9.8% (98), Category B could be 10.2% (102), and Category C could be 9.9% (99). The total would be 299 which is less than 30% of the total of 1,000 and is therefore acceptable for payment.

7. Definition of a Unit of Inspection

Regulations define a unit of inspection as:

- a) *a single excavation not exceeding 200 metres in length; or*
- b) *more than one and not more than 5 excavations and, in the case of works relating to service pipes and service lines, not more than 10 excavations, provided that in each case—*
 - (i) *all the excavations are in the same street,*
 - (ii) *all the excavations are part of the same works,*
 - (iii) *all the excavations are made within a period of 10 working days,*
 - (iv) *each excavation is within 500 metres of every other excavation; and*
 - (v) *the aggregate length of all the excavations does not exceed 200 metres; or*
- c) *in the case of an excavation longer than 200 metres each length of 200 metres within the length of that excavation or the balance of such length.*

The Inspections Code of Practice further clarifies that:

All works which involve breaking up the street will be included in the calculation of units of inspection, irrespective of whether the works in question are located in the footway, verge or carriageway. In the case of shared trenches, provided that one undertaker accepts responsibility for the works, the trench will be regarded as a single trench in calculating the number of units of inspection.

Undertakers are required, when giving notice under section 55 of the Act, to estimate the number of units of inspection the works will generate.

Response to survey queries

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i) The figure for actual units on a works has been wrongly calculated on initial registration.

Highway authorities will need to monitor Inspection Units given on the Full Registration Notice, particularly for large works or those works with a large number of sites, as an incorrect number of units will affect the annual sample calculation.

ii) Are Systems working in a uniform manner when undertaking calculations?

The highway authority should work to the agreed Sample Inspection quotas agreed with the respective utilities in the first quarter of the financial year. The respective Street Works Management Systems between highway authorities and utilities should be capable of calculating identical figures for the yearly Inspection Unit totals. However, there may be a slight variance in these figures due to a number of factors and both the highway authority and utility should come to a mutual agreement without the necessity to use valuable resources to fully scrutinise the results.

It is not necessary to use the Street Management Systems to calculate a figure for the number of Sample Inspections to be charged on invoices for the first three quarters; the billed figure for these is a quarter of the Sample Inspection total for the year. (CoP 6.8.1 (ii))

It is good practice for utilities to inform highway authorities that billed figure is not matching target for each quarter. Similarly, highway authorities should monitor their inspections against target figures and any issues can be discussed with the utility as they arise.

iii) Only fully registered works can form part of the calculations.

The actual Inspection Unit figure on the Full Registration Notice should be in the calculation process. The use of the estimated Inspection Unit is not particularly pertinent except where works durations span the end of year. If these are used there will be a degree of care required to ensure that there is no duplicate counting.

iv) Not all systems generate Cat A Inspections.

Cat A inspections, by the very nature of their definition, make them very difficult to be generated randomly.

Although some Street Works Systems are capable of doing this it can lead to a number of aborted inspections where works have not yet started when the Street Works Inspector arrives. As no inspection can be carried out then no fee is applicable. However, where works are completed then a Cat A inspection can be carried out on the reinstatement.

Category A Inspections can be generated by using a daily whereabouts type report or by using the system to check for works in progress. v) Remedial works.

Once remedial works have been completed the legislation and Codes do not make it clear as to whether or not the number of inspection units on the original registration should be brought forward and added to the remedial registration. Your system may not physically show the updated number on the remedial notice / permit. The calculations are carried out



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“behind the scenes”, as each notice/phase must contain the original information that belongs to the notice/permit at that stage..

The expectation is that systems should treat this area thus:

- Original registration: 4 units
- Remedial works: 1 unit
- The Street Works Management System will add the two to making it 5 units for the works and used for the yearly calculation.

Again, a degree of care will be required to ensure that there is no duplicate counting particularly where remedial works are carried out in a later financial year.

vi) Abortive inspections do not count towards completed inspection numbers.

Where a Sample Inspection cannot be undertaken as the site can't be found or works have not started, for example, then this will be an Aborted Inspection and, as a fee is not applicable, is, therefore, not counted against the yearly quota. The System should generate a replacement Sample Inspection in this case. Please note, do not delete uncompleted inspections, these should be aborted.

vii) Regardless of how many operational districts a utility has this will not affect the unit calculation.

The calculation for the yearly quota is based on the undertaker as a whole irrespective of the number of operational districts.

vii) Inspection Units are based on Works not sites.

The overall number of Inspection Units for a Works is determined by the sizes and number of all reinstatements carried out under a Works Notice as defined in the Regulations (as noted above).

viii) Late registrations should not affect the overall calculations. Sites are individual elements that make up a works. Registrations must be monitored to ensure they are completed in a timely manner.

The timing of the serving of notices is about managing the highway network and a highway authority should monitor the timeliness of these and use FPNs to deliver performance improvements as appropriate.

ix) For non-notifiable works registrations the calculation should be one registration equals one unit. It should be noted where works are registered for cores, barholes, and pole testing the overall inspection unit will always be one.

Please note there is a problem within EToN 6 in that the new “Registration of Non-notifiable Works” does not record Inspection Units. As a work-around the easiest method



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is to calculate the number of actual units for a year from the Full Registration of Reinstatement Notices and, as each Registration of Non-notifiable Works is equal to one unit, add the total number of Registration of Non-notifiable Works served in that year to this figure to get the overall total.

Note that bar holes count as a single excavation and reinstatement for registration purposes, regardless of the number of bar holes in a street and, where included on a Full Registration of Reinstatement Notice, the works would be registered as a single excavation.

Inspections Working Group

The Inspections Working Group is currently looking at simplifying the Inspection Unit calculation process to make it a non-manual process for adding the number of units to a Notice. Similarly, the financial year to which units are applicable will be more clearly defined. This will hopefully provide a more common process across the various Street Works Software Systems and reduce the frustrations that both highway authorities and utilities are experiencing in agreeing the annual Sample Inspection figures.

Conclusions

Monitor your registrations

The units of inspections what has been completed in that phase.

Barholes will require manual calculation when working out your annual sample figure

This document will be reviewed by the working group to keep pace with any changes that happen in the future.

A handwritten signature in black ink, appearing to read "B. Gill".

Joint Chair – HAUC(UK)

A handwritten signature in black ink, appearing to read "J. Conkey".

Joint Chair – HAUC(UK)