



Changes to Street Works Legislation from 5 January 2026.

The Department for Transport is changing legislation relating to street works in England from 5 January 2026.

The changes are to [Regulations](#) and to the Code of Practice for the Co-ordination of Street and Road Works and cover the use of Lane Rental (Section 74a) charges, Section 74 overrun charges and Fixed Penalty Notices (FPNs)

These changes apply on and after the 5th January 2026.

Changes to Lane Rental - 50% surplus fund requirement:

From 5 January 2026, highway authorities operating a lane rental scheme must spend 50% of all net proceeds from surplus lane rental funds on highway maintenance and the remaining 50% on purposes intended to reduce the disruption and other adverse effects caused by street works.

The DfT expects this to apply to surplus net proceeds **generated on or after the 5 January 2026** however it is for each authority to take its own legal and financial advice on applying this requirement going forward. The regulations continue to require that highway authorities publish annual accounts and show how surplus funds have been applied during that accounting year.

Compliance with this requirement will be monitored through the statutory obligation upon highway authorities to publish annual accounts detailing the generation and expenditure of surplus funds, as required by the 2012 regulations. Examples of highway maintenance activities are listed in a non-exhaustive list below:

Preventative Maintenance

Planned works to prevent deterioration including Surface dressing, Crack sealing, or Drainage improvements.

Capital (Renewal) Maintenance

Replacement or refurbishment of assets nearing end-of-life including, Resurfacing streets, Lamp columns, Traffic signs and signals, or Filter drain media.

Reactive Maintenance

Unplanned, urgent repairs such as Programmes of permanent pothole repair, Emergency repairs due to accidents or weather damage, Fixing broken chamber covers or street lighting faults.

Routine Maintenance

Scheduled minor works like Gully emptying, or Grass cutting



Major Maintenance

Large-scale refurbishment or replacement projects including Bridge repairs, Structural road reconstruction, or Full carriageway resurfacing.

Winter Maintenance

Seasonal operations such as Gritting and de-icing, and Snow clearance.

Changes to Section 74 (NRSWA) charges for the unreasonably prolonged occupation of the highway

The DfT has amended the Regulations relating to Section 74 charges to extend charging for overruns to weekends and public holidays, as well as the current working days. **This will apply to permits for those works that start on or after 5th January 2026.**

This does not mean that the 'working day' definition has been altered. As the term 'day' has different meanings depending on the context within NRSWA;

- **Working Day:** For notification periods, categorisation of works, and determining the prescribed period under section 74, 'day' means a working day, as defined in section 98 of NRSWA. This ensures consistency with coordination requirements and statutory notice periods, which are based on operational working days.
- **Calendar Day:** For calculating charges under section 74, 'day' means a calendar day whether it occurs on a weekday, weekend, or public holiday. Charging by calendar day incentivises promoters to minimise the total duration of works and restore the highway to use promptly, even outside normal working days.

Allowing charges under section 74 at weekends and on public holidays recognises that works remain disruptive to road users regardless of the day. The intent is to incentivise promoters to minimise the overall duration of works and restore the highway to use as quickly as possible, even outside normal working days.

Notes

- It is **not** to be used to unreasonably reduce works durations using weekends and public holidays as working days unless as agreed on permit conditions.
- Working days remain for the response to a mitigated charge scenario, and for the two days an authority has to inform a promoter of a Section 74 overrun.
- Please read Chapter 10 of the Code of Practice for Co-ordination (etc.) for further guidance.

Changes to Fixed Penalty Notices

The DfT have amended the Regulations relating to Fixed Penalty Notices to increase the penalty charges payable by double the current rate, and the Code of Practice for Co-ordination to make late notifications for S74 starts and stops an offence every day.



This will apply to **offences committed on or after the 5th January 2026**, for both the new charge rate where it is applicable, and offences for late notifications every day.

Start and stop Notices

The Regulations relating to the requirements for Section 74 notifications, to issue within two hours for works starting or stopping between 08:00-16:30 every day came into force in April 2023, and this includes the Immediate permit applications as the permit also acts as the actual start notification. However, Chapter 11 of the Code of Practice for Co-ordination (April 2023 edition) included a section to prevent the issue of FPNs for late notifications on non-working days. This section will be removed from 5th January 2026, allowing FPNs to be issued if notifications are issued outside of the two hour window.

Time period (every day)	Applies to Start/Stop notices (inc. Immediate permits)
00:00am through to 07:59am*	Start/Stop notice received by 10:00am on the same day
08:00am through to 04:30pm*	Start/Stop notice received within 2 hours e.g. work starts 03:25pm = start notice received by 05:25pm on the same day
04:31pm through to 11:59pm*	Start/Stop notice received by 10:00am on the next day

Notes;

- Immediate Permits and Works Starts must be received by the HA within 2 hours of the start* of the street works site set-up (i.e. first cone/sign out).
- Works Stops must be received by the HA within 2 hours of the completion* of works. This means the reinstatement and road markings are done; signs, barriers and traffic management are removed and the site is clean tidy and fully open for public use.

Fixed Penalty Charges

The penalty charges payable for offences committed on or after the 5th January 2026 are:

Offence	Full Charge	Discounted Charge
NRSA sections 70, 74 or 74A	£240	£160
Regulation 19 (working without a permit)	£1000	£600
Regulation 20 (breach of permit conditions)	£240	£160

Please read Chapter 11 of the Code of Practice for Co-ordination (etc.) for further guidance.

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Joint Chairs HAUC England

Agreed by all parties including the DfT, JAG UK, and Street Works UK