

CABINET

26 March 2008

TRANSPORT CONTRIBUTIONS

REPORT OF HEAD OF ACCESS AND INFRASTRUCTURE

Contact Officer: Andy Hickman Tel No: 01962 848105 email:ahickman@winchester.gov.uk

RECENT REFERENCES:

None.

EXECUTIVE SUMMARY:

This report considers the implications of adopting a new approach to calculating and collecting transport contributions from new development on behalf of Hampshire County Council. It considers the draft methodology and recommends that is the new approach adopted for applications received after 1st April 2008.

RECOMMENDATIONS:

1. That the new approach to calculating and collecting transport contributions from new development, as requested by Hampshire County Council, be adopted for applications received after 1 April 2008.
2. That the Head of Access and Infrastructure be authorised to discuss and agree the detailed operation of the scheme with the County Council.

CABINET26 March 2008TRANSPORT CONTRIBUTIONSREPORT OF HEAD OF ACCESS AND INFRASTRUCTUREDETAIL:1. Introduction

1.1 This report considers the policy document 'Transport Contributions Policy' which has been adopted by Hampshire County Council. This now represents the County Council's policy guidance to local planning authorities. Hampshire County Council has asked local planning authorities to adopt the new approach and to collect contributions on their behalf for use on highway and transport improvement schemes. Currently 8 of the district authorities in Hampshire have adopted this methodology.

1.2 A copy of the policy document is attached as Appendix 1.

2 Background

2.1 In recent years many highway authorities have sought contributions from new developments towards highway improvements which will mitigate the impact of the new development. These are over and above the immediate highway infrastructure which is necessary for the development itself. This is in accordance with guidance contained in the Government Circular 5/2005 on Planning Obligations. Hampshire County Council has adopted this approach but, other than for very large schemes, it has left negotiations to the District Council concerned via the staff employed under the highways development control agency. Whilst this has been generally effective, it has led to some inconsistencies of approach across the County.

2.2 In order to provide a more transparent and consistent approach, the County Council has adopted a new policy for transport contributions under the Development Control Agency which is set out in a document entitled 'Transport Contributions Policy'. The new approach is based upon a standard formula for calculating contributions from development of all sizes, commonly referred to as a tariff or "impact fee". In some ways this is similar to the approach that the City Council adopts with Open Space Contributions.

2.3 This approach will be simpler for the City Council to operate than the current ad hoc negotiations and should be considered more transparent by applicants who will be able to calculate their contributions in advance. The approach is similar to that likely to be implemented if the proposed national Community Infrastructure Levy (which is provided for within the new Planning Bill) is introduced. It is anticipated that if the Bill is approved by Parliament, the Community Infrastructure Levy (CIL) scheme could be in place by early 2009. If introduced as currently proposed, the CIL would subsume and replace the Transport Contributions Policy.

2.4 The County Council has taken legal advice on the new approach and advises that it is considered lawful and consistent with Circular 05/2005. Policy DP.9 of the Winchester District Local Plan requires development to provide the necessary social and physical infrastructure and states that reasonable and equitable financial contributions may be accepted in lieu of actual provision. Once adopted, the Transport Contributions Policy would be a material planning consideration to be taken into account when dealing with planning applications, and the Policy, and the

supporting methodology behind it, will be used to justify the financial contributions sought under DP.9.

3 Discussion

- 3.1 The County Council suggests that there will be a Menu of Transport Schemes and Initiatives suitable for funding from transport contributions, maintained for each District. This is a comprehensive list but is not specific in terms of actual schemes or locations, and covers items such as Local Transport Plan schemes, safety measures, passenger transport contributions and infrastructure, cycling and pedestrian schemes, safe routes to schools and travel plans items, amongst others.
- 3.2 It is suggested that the County Council be asked to develop and keep up to date a programme of schemes and initiatives over and above the County Council's own Local Transport Programme to demonstrate how transport contributions collected under the scheme are benefiting the community. It is important to identify these measures, in order to be able to fully justify the requirement for payment of contributions, and the City Council can play a lead role in formulating this programme and consulting upon it in liaison with the County Council, for example, through the development of the Winchester Access Plan.
- 3.3 Schemes for which contributions are collected should be of benefit to the development proposal within an identified and relevant geographical area. Due to the nature of alternative transport provision, proposed schemes are likely to be of benefit to a wider area than just one settlement. For example, cycle routes or public transport improvements may be routed through a number of settlements and hence have benefits over a wide area. A parish cluster approach, as used for collection of open space contributions, could be used in the programme formulation and contributions secured from within these clusters could then be used to fund schemes within them.
- 3.4 It is suggested that officers are authorised to discuss and agree the detailed operation of the scheme with County Council officers. The County Council has established regular liaison with City Council officers to discuss transport contributions and produce a comprehensive list of all contributions held. This new process gives greater transparency and allows the City Council to be involved in deciding how the funding is allocated.
- 3.5 The proposed system may be tested by challenge through the planning process and it is likely that the County Council would have to provide appropriate evidence and support in respect of a reason for refusal based on the Transport Contributions Policy at any appeal. The County has confirmed that it would provide such support to defend the Policy. It is considered appropriate to adopt the Policy in its current form and liaise with the County Council over any changes to the Policy which may be needed as a result of experience in dealing with planning applications.
- 3.6 The County Council is recommending that the Policy be adopted as part of the Local Development Framework LDF. This can be considered as part of the process of adopting the LDF and its constituent documents, but as the Policy will constitute a material consideration once adopted by the City Council, it is recommended that the Policy is adopted so as to allow it to be applied to applications received after 1 April 2008 in the meantime.

4 Implementation

- 4.1 Once adopted, contributions would be secured in a similar way to the operation of the Open Space Scheme. Section 106 obligations will be entered into to require payment

of the contribution before development commences. Although this will be an additional issue to be dealt with before an application can be determined, it is intended that standard forms of obligation will be developed to assist applicants and officers, and reduce as far as possible any delay in processing application which the operation of the new Policy might entail.

OTHER CONSIDERATIONS:

5 CORPORATE STRATEGY (RELEVANCE TO):

- 5.1 The proposal will help to deliver objectives in relation to safer and more inclusive communities and safeguarding the environment.

6 RESOURCE IMPLICATIONS:

- 6.1 The proposal would help to provide resources to deliver transport initiatives in support of the Local Transport Plan, Community Strategy and Winchester Town Access Plan. It is anticipated that it can be taken forward within current staff resource levels subject to clarification of the thresholds which determine which authority deals with different applications through the Agency Agreement with Hampshire County Council. It is expected that this scheme will result in additional funding becoming available for transport investment in the Winchester District.

- 6.2 Applicants will be required to meet the legal costs of dealing with Section 106 obligations which will have to be entered into to secure payment of the contributions, which would allow appropriate legal resources to be provided to implement the Policy through these obligations. With the introduction of standardised documentation, and clear guidance to applicants on the operation of the Policy, it is expected that any additional planning officer time can be minimised.

7 BACKGROUND DOCUMENTS:

DCLG Circular 5/2005.

Hampshire County Council - A New Approach to Calculating Transport Contributions in Hampshire (September 2007)

8 APPENDICES:

Appendix 1: Transport Contributions Policy, September 2007 (Hampshire County Council).

Transport Contributions Policy

September 2007

1 Introduction

- 1.1 This policy will introduce a formulaic approach to calculating transport contribution across the County which will define the level of contribution which new development should contribute. This policy is designed to be applicable to developments of all sizes, from a single unit upwards.
- 1.2 The formula is based on the transport impact of each development in accordance with Circular 05/2005. The basic measurement of transport impact will be quantified by the number of multi-modal trips that a development is expected to generate. A financial value is then be attached to each multi-modal trip
- 1.3 In order to calculate the level of contribution payable it is necessary to first establish the net additional multi-modal trips generated by the site. This number of trips is then multiplied by the agreed cost per trip.

2 How to Calculate the Transport Contribution

- 2.1 The table below illustrates the cost per trip and the number of multi-modal trips per dwelling/100 sqm floor area needed to calculate the contribution payable.

C3 - Residential	Cost per Trip (£)	Household Occupancy	Multi-Modal Trips (per dwelling)	Cost per dwelling (£)
1 Bed Dwelling	535	1.3	3.7	1980
2-3 Bed Dwelling	535	2.42	7.0	3745
4+ Bed Dwelling	535	3.5	10.2	5457
B - Employment	Cost per Trip (£)		Multi-Modal Trips (per 100sqm)	Cost per 100 sqm (£)
B1 Business	230		18.7	4301
B2 General Industry	230		7.5	1725
B8 Warehouse & Distribution	230		9.4	2162

- 2.2 The residential multi-modal trip rates within the above table apply to all residential developments within the County, regardless of size.
- 2.3 The employment multi-modal trip rates within the above table only apply to those developments which do not require a TA. Where a TA is required the agreed multi-modal trip rate will be used to calculate the contribution.
- 2.4 For all other types of development, for instance leisure, retail or a nursing home, the multi-modal trip rate will be determined by the TA or Transport Statement submitted with the planning application and the cost per trip used for the employment uses will be applied.

3 Local weighting factor and economic viability

- 3.1 For developments other than residential, the economic viability of the site will be considered and there will be scope to negotiate from the starting contribution calculated using this policy. However, that case must be supported by the Planning Authority to demonstrate that there is a need for the development and that the viability of the development will be put in jeopardy should the County Council insist of a level of contribution in line with the policy.

4 Future review of the costs

- 4.1 It is intended to use appropriate indexation to review and update the policy in forthcoming years. This indexation will be in line with that used to index the financial contributions within the Section 106 Agreements.

5 Section 278 Agreements and Travel Plans

- 5.1 Section 278 Agreements will identify the works required to access the site. If the package of works agreed includes some works which may be considered to have wider public benefit, for instance a section of cycleway, the cost of these works may be deducted from the contribution.
- 5.2 If a Travel Plan is produced and secured by way of a Section 106 Agreement with a bond, the elements of the plan that are bonded and may provide wider public benefit may be deducted from the contributions

6 What will the contributions be spent on?

- 6.1 The contributions collected will be spent on improvements to transport and the highway developed through the Area Transport Strategies by the Area Transport Teams.
- 6.2 The contributions will be allocated to schemes or transport improvements which may reasonably benefit the site, in accordance to the terms of the Section 106 Agreement and Circular 05/05, and will not be spent elsewhere in the County.