

## TRANSPORT CONTRIBUTION POLICY

### 1. INTRODUCTION

- 1.1 Policy DW-T8 of the adopted New Forest District Local Plan (first alteration) states that:-

Development must have or provide satisfactory means of access for motor vehicles (including service vehicles and buses where appropriate), cyclists and pedestrians, having regard to the nature of the development, its location and the adopted policies and standards of Hampshire County Council as strategic planning and transport authority. Development shall not cause or demonstrably increase danger to road users or conflict with existing or proposed schemes for traffic managements. Where development necessitates improvements to transport infrastructure or services off-site, developers will be required to contribute to the costs of those improvements (see also Policy DW-F1, Section C14). Contributions shall be directly related in scale and in kind to the proposed development.

C9.49 This policy seeks to ensure that developers have regard to:

- i national guidance, e.g: DoT Circular 4/88, The Control of Development on Trunk Roads, DoT Circular 6/91, Development in the Vicinity of Trunk Roads, Design Bulletin 32, Residential Roads and Footpaths and its companion guide Places, Streets and Movement; and
- ii Policies T2, T4, T5 and T6 of the Hampshire County Structure Plan Review; and
- iii the standards of the transport authority, including those set out in Hampshire County Council's document Movement Access Streets and Spaces.

C9.50 Developers should also have regard to the needs of those with impaired mobility (see Policy DW-E15, Section C1).

C9.51 Where an otherwise acceptable development is likely to impose additional burdens on existing transport networks, in accordance with Circular 1/97, Planning Obligations, the developer will be required to contribute to improvements off-site that will enable the additional travel needs to be accommodated. This will normally be achieved by means of a legal agreement involving the highway authority. (In relation to trunk roads see also DoT Circular 6/91, Development in the Vicinity of Trunk Roads).

- 1.2 Up until now the transport contributions part of this policy has only been applied to larger developments on the specific advice of the Highway Authority. Most developments in this District are small scale and hence make no contribution notwithstanding their cumulative impact on the transportation

network. In September 2007 Hampshire County Council adopted a policy which introduced a formulaic approach to calculating transport contributions to define how much each new development should contribute towards transportation improvements. They have requested that each District adopts this policy and collects the relevant contributions.

- 1.3 This report explains the policy in more detail and recommends that New Forest District Council adopts it and starts to collect contributions on all relevant new developments in planning applications submitted on or after 1<sup>st</sup> April 2008.

## **2. THE HAMPSHIRE COUNTY COUNCIL POLICY**

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- 2.1 Further details of this are given in a summary document which is attached to this report as Appendix 1.
  - 2.2 Some important points to note from this policy are as follows:-
    - (a) it is based upon the number of net additional multi-modal trips that the development is predicted to generate.
    - (b) it applies to all residential developments from one new house or flat upwards. It does not apply to replacement dwellings. The Council could decide to set a higher threshold but this is not recommended as developments contribute to the cumulative impact of increasing pressure on the transport network.
    - (c) it is at the discretion of the Council to reduce or waive the contribution where the economic viability of the development might be prejudiced. This might apply, for example, to rural exception affordable housing schemes or brownfield developments involving exceptional development costs such as the site being heavily contaminated.
    - (d) it applies to all commercial developments of 100 square metres or more but if the scheme is of a scale that requires a Transport Assessment this will be used to judge the level of the contribution.
  - 2.3 It is anticipated that New Forest District Council would collect these contributions via Section 106 agreements. These would be held in a separate fund for three areas of the District namely Totton and the Waterside, the Coastal Towns and the Avon Valley (and Western Downlands). Money would be released for the implementation of appropriate schemes following discussions between Hampshire County Council and New Forest District Council.
  - 2.4 The money will be available for spending on a wide range of transportation related matters. These include:- Town centre accessibility projects, safety engineering, passenger transport, cycling and pedestrian schemes, traffic management, safer routes to schools, transport information services and bus priority measures.
  - 2.5 Hampshire County Council have said that they will support this policy with expert advice and witnesses should any refusals of permission be challenged on appeal. Normally a policy of this type would be reinforced by producing it as a Supplementary Planning Document which includes public consultation. This is not being suggested for reasons which are set out in the next section.

### **3. THE COMMUNITY INFRASTRUCTURE LEVY**

- 3.1 The Government is committed to a Community Infrastructure Levy (CIL) on new development to provide the public facilities which are necessary when new development is taking place. This will cover a much wider range of facilities than the open space and affordable housing contributions we currently collect and the transportation elements set out in this report.
- 3.2 In a consultation document issued by the Department for Communities and Local Government in January 2008 the Government suggest that the CIL will provide for schools, parks, health centres, good public transport, provision for walkers and cyclists as well as flood defences to protect developments from climate change. In simple terms a local authority will calculate the costs of all of these things for all the new homes/commercial development in an area over the duration of a plan period. This amount will then be divided by the number of homes (and other development) proposed in an area over that plan period giving rise to a levy figure for each individual element of new development. In Milton Keynes, where a similarly system has existed for some while, this works out at about £18,500 for each new dwelling built. The Government has said that it will impose a cap on this levy to prevent inappropriate demands being made on new development in some areas.
- 3.3 They also say that there is widespread support for the CIL from many partners and that the development industry is more supportive of this than the previous plans for a Planning Gain Supplement. The CIL will be collected by local authorities and will replace the system of 106 agreements which are currently negotiated on an individual basis. The Government also says that they have all party support for this new system as a matter of principle which means that it is likely to be more enduring.
- 3.4 The Government has signalled that it should be ready to consult on the CIL by autumn 2008 (subject to approval by Parliament) and have proposals finalised for use by Councils by spring 2009. This means that the separate system for transportation contribution set out in this paper is likely to be short lived and could be replaced by the CIL in about a year. It is for this reason that the time and effort to produce a Supplementary Planning Document is not being proposed in this case.

### **4. ASSESSMENT**

- 4.1 There is a public wish to see better infrastructure provided particularly in areas where new development is taking place. There are arguments that this can be viewed as a new tax on the development industry but it is already applied in many areas (including in Hampshire) and could make a substantial contribution to increasing spending on transportation improvements. At current rates of housebuilding in this District it could lead to about £500,000 per year being generated for spending on appropriate schemes.
- 4.2 If it is accepted that it should apply to the level of every new house this will require many more applications to be the subject of Section 106 agreements. This will have implications for the Council's legal and planning officer

resources although ultimately this should be cost neutral as developers have to pay for the preparation of legal agreements. A standardised system will need to be devised and any negotiations will not be allowed to interfere with the development control team's need to achieve application determination timescales.

- 4.3 It is also possible that this will lead some developers to challenge other payments for open space and affordable housing. This will not be deemed as an appropriate response although the transportation levy could be reduced or waived in the circumstances set out in paragraph 2.2 (c). Any such submission will need to be made and supported by evidence in pre-application negotiations or with the submission of the planning application.
- 4.4 The overall conclusion is that this contribution should be sought on the basis set out in the Hampshire County Council policy and this rationale leads to the officer recommendation on this report.

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The most immediate financial implication could arise from having the legal resources to deal with the higher number of Section 106 agreements. Any such increased costs will be passed back to the developers who already have to pay the Council's costs in producing these agreements.
- 5.2 There are also likely to be some implications for the planning officers who will need to advise on these contributions, monitor compliance and negotiate on them in a number of cases. Staff in the accountancy section will also have a larger number of agreements to monitor and collect if this contribution is agreed. It is anticipated that this extra work can be accommodated within existing resources at the present time.
- 5.3 The contribution themselves which could amount to about £500,000 per year will be placed in a separate fund which will then be paid out for appropriate transportation schemes. There will also be a workload implication in agreeing the schemes on which the contributions will be spent.

## **6. CRIME & DISORDER AND EQUALITY & DIVERSITY IMPLICATIONS**

- 6.1 There are none arising directly from this report.

## **7. ENVIRONMENTAL IMPLICATIONS**

- 7.1 The sums collected might be used for some schemes which will have environmental benefits. As an example some improvements to encourage cycling and walking could result in environmental enhancements in urban areas.

## **8. PLANNING AND TRANSPORTATION PORTFOLIO HOLDERS COMMENTS**

- 8.1 Councillor Chris Treleaven comments that he supports this extension to existing policy. Small scale developments in our towns and villages will contribute to appropriate transport improvements as a result of this policy which otherwise might not take place because alternative funding is very limited.

## **9. RECOMMENDATIONS**

- 9.1 That on all appropriate planning applications received after 1<sup>st</sup> April 2008 a transportation contribution be sought, by means of a Section 106 agreement, in accordance with the Hampshire County Council policy as applied to Policy DW-T8 of the adopted New Forest District Council Local Plan, First Alteration 2005.

### **For Further Information Please Contact:**

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### **Background Papers:**

Hampshire County Council Transportation  
Contribution 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.

<b>C3 - Residential</b>	<b>Cost per Trip (£)</b>	<b>Household Occupancy</b>	<b>Multi-Modal Trips (per dwelling)</b>	<b>Cost per dwelling (£)</b>
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>B - Employment</b>	<b>Cost per Trip (£)</b>		<b>Multi-Modal Trips (per 100sqm)</b>	<b>Cost per 100 sqm (£)</b>
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.