

## **Development Guidance Note**

# **Developer Contributions for Transport Infrastructure and Services**

# **DRAFT**

## **January 2008**



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## 1: INTRODUCTION

- 1.1 This document contains proposals for a transport tariff or standard charge for transport which will be applied to all planning applications in the Borough, and asks for your comments and suggestions for amendments so that a clear and consistent methodology can be applied to the calculation of contributions required by the Council from developers towards transport in the Borough.
- 1.2 Funding for local transport schemes and initiatives is currently obtained primarily through the Local Transport Plan, a relatively limited source, and through section 106 agreements within the planning process. The section 106 process can be time consuming and subject to uncertainty regarding the level of funding that might be secured as the developer and local authority enter into negotiations on each planning application. Applying a transport tariff will enable development impacts on the Borough's strategic transport network to be identified in advance and funding to be secured in a manner that is consistent and clear.
- 1.3 The Council has an established Development Control Guidance Note (updated in December 2007) setting out the contributions required from developers on a wide range of elements. Copies of this document can be obtained from the Council<sup>1</sup>. Transport is not yet included in this calculation. Proposals for a transport tariff which can be added to the existing Guidance Note have therefore been developed and are presented in this consultation document.
- 1.4 The transport tariff funding will be used to implement strategic Borough-wide schemes and initiatives required to manage and facilitate growth up to 2026 (the period of the South West Regional Spatial Strategy) in a sustainable fashion. The Council's Local Transport Plan outlines key transport objectives linked to the longer term aspiration of sustainable growth. These include enhancing road safety, reducing transport related pollution, enhancing access for all to local services, and helping to tackle congestion so we can "Keep Swindon Moving". This is the tag-line of the Council's Local Transport Plan. This five-year Plan can be read from the Council's web-site, copies of the summary can be obtained from the Council.
- 1.5 The tariff will not be used for providing direct access or local transport infrastructure and service improvements necessitated by a development. These elements will continue to be identified following the submission of the relevant transport information, usually a Transport Assessment, by the developer.

## 2: CONSULTATION and TIMESCALE

- 2.1 The draft proposals for developer contributions for transport was presented to Swindon Borough Council's Planning Committee on the 11<sup>th</sup> December 2007. The Committee resolved to approve a statutory six-week consultation period, with the findings of the consultation reported back to the Committee.
- 2.2 The consultation period will be from 5<sup>th</sup> March 2008 to 16<sup>th</sup> April 2008. The comments of support and objection will be collated and presented to Planning

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<sup>1</sup> An administration charge of £2.50 is payable for a hard copy.

Committee on 29<sup>th</sup> April 2008. All duly made representations will be considered. If the Guidance Note is deemed to require further modification, this will be advertised formally and may be subject to further consultation. If no significant further modifications are required, a final report will be submitted to Planning Committee for adoption after that period.

- 2.3 If approved, the transport tariff will be applied to all planning applications. It will be reviewed annually, and rates may be up-lifted in-line with the appropriate construction indices and also to reflect any changes in the Borough-wide strategic transport requirements.
- 2.4 All comments on the guidance note should be made using the Comments Form, making it clear to which part of the document it relates. It is important to note that all comments received will be made public and cannot be accepted as confidential. If you have any queries please contact the Forward Planning team on tel: **01793 466513** or e-mail: [forwardplanning@swindon.gov.uk](mailto:forwardplanning@swindon.gov.uk)

### **3: CONSULTATION QUESTIONS**

3.1 Below are four questions. They are presented as a guide only and we welcome your comments on any aspect of the transport tariff proposals set out in this consultation document. In all your responses, explanation of your views with examples from your own experience, if possible, would be of assistance.

- 1: Do you agree with the principle of a transport tariff?
- 2: Do you agree that the transport tariff should be applied equally to all development?
- 3: Do you agree with the methodology for calculating the transport tariff?
- 4: Do you agree with the proposed payment method for the tariff contributions?

### **4: TRANSPORT TARIFF**

#### **Why is the Council proposing a transport tariff?**

- 4.1 Significant levels of housing development and the provision of new employment and other services are proposed in the Borough over the next twenty years. This level of growth will require significant investment in local transport infrastructure and services in order to facilitate economic activity as well as maintaining and enhancing local quality of life.
- 4.2 The South West Regional Spatial Strategy ([http://www.southwest-ra.gov.uk/ngcontent.cfm?a\\_id=3627](http://www.southwest-ra.gov.uk/ngcontent.cfm?a_id=3627)) indicates that provision should be made for a further 34,200 dwellings within Swindon Borough up to 2026 and at least 32,000 new jobs supported by schools, shops and other facilities. Currently there are approximately 50,000 vehicles on the roads in Swindon in the morning peak. By 2026 the demand for car travel in the morning peak could exceed 82,000 vehicles. Without any interventions, the impact on the economic operation of the town as well as the environmental impact will be significant.
- 4.3 It is therefore important that funds are secured which will contribute to maintaining and enhancing the transport network and opportunities to travel in a

sustainable fashion. Because many of the schemes will take time to implement, and cost more than it would be reasonable to charge a single developer, a transport tariff provides a clear and consistent way to ensure all development contributes to the transport opportunities in the Borough in proportion to the impact that development is likely to have.

- 4.4 The transport tariff will be charged in addition to the measures identified as part of the Transport Assessment (including Travel Plan) process that are directly related to the development. Direct access from the development to the existing road network, local transport infrastructure, and local public transport services necessitated by a development will not be part of the transport tariff. These elements will be identified following the submission of the relevant transport information by the developer.
- 4.5 The use of a transport tariff will simplify the planning application process in two ways. It will assist in reducing the amount of time needed to develop a Transport Assessment by reducing the amount of technical work required assessing the likely impact of the development proposals on Borough-wide junctions. In this way, less time will be needed for negotiation between developer and Council thus also saving the developer's preparation costs. The transport tariff will also provide a clear and consistent method for identifying in advance the likely scale of contributions towards off-site transport measures. This will give a developer greater surety when estimating overall development costs and potential for land value up-lift before land is purchased.
- 4.6 It is proposed that all development which creates additional travel demand on the network will be required to contribute. It is further proposed that this principal will apply to all development from single dwellings and conversions to strategic development sites such as the Eastern Development Area.

#### **How was the transport tariff calculated?**

- 4.7 Figure 1 outlines the methodology used to develop the transport tariff. In simple terms, the cost of the measures identified as a result of forecasting the future growth scenarios using the Council's transport model was divided by the total number of trips likely to be generated by those proposed levels of growth. Appendix A presents more details about the numbers that have been used. Figure 2 outlines how it is proposed that the tariff will be applied.
- 4.8 The proposed transport tariff has been calculated as £1,167 per trip. The total two-way daily vehicle trips associated with the quantum of development will be assessed.

Figure 1: Outline of Transport Tariff Calculation Methodology

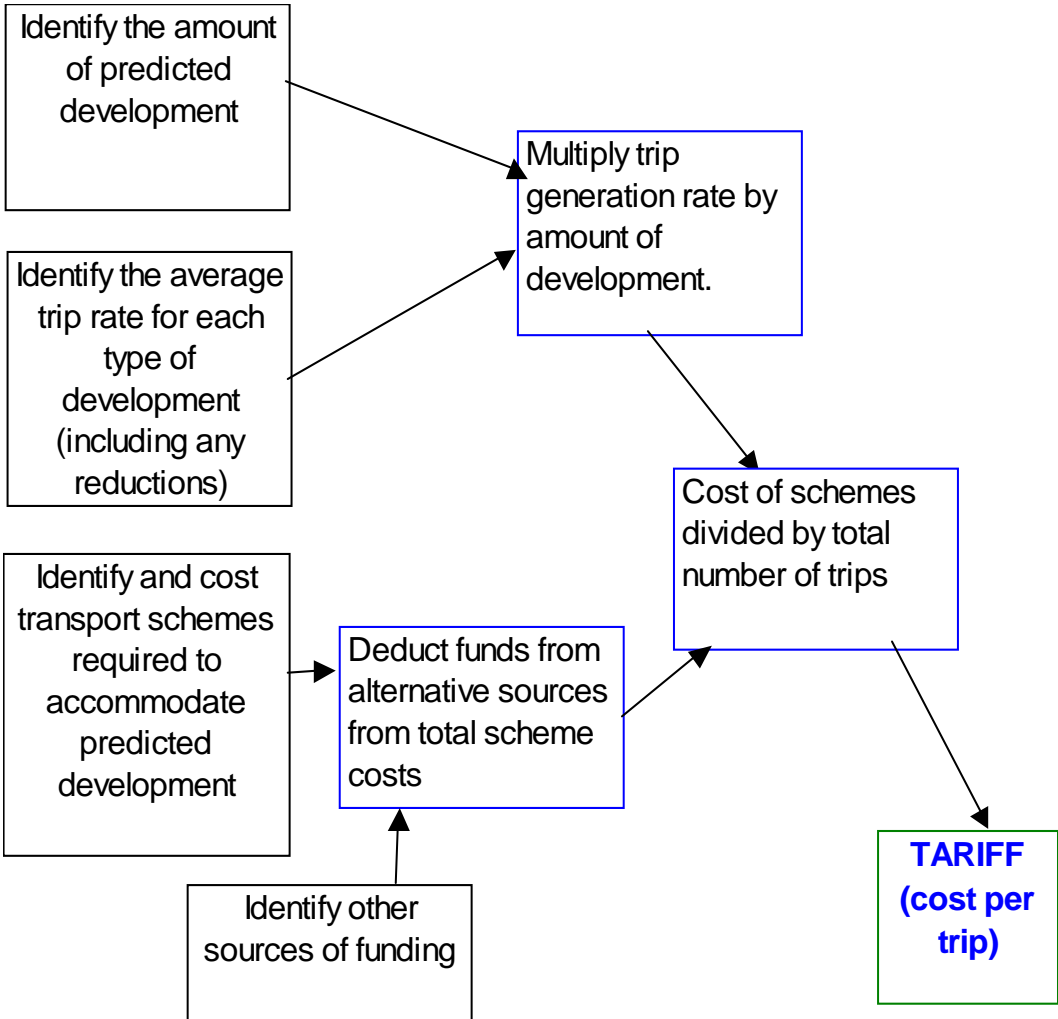
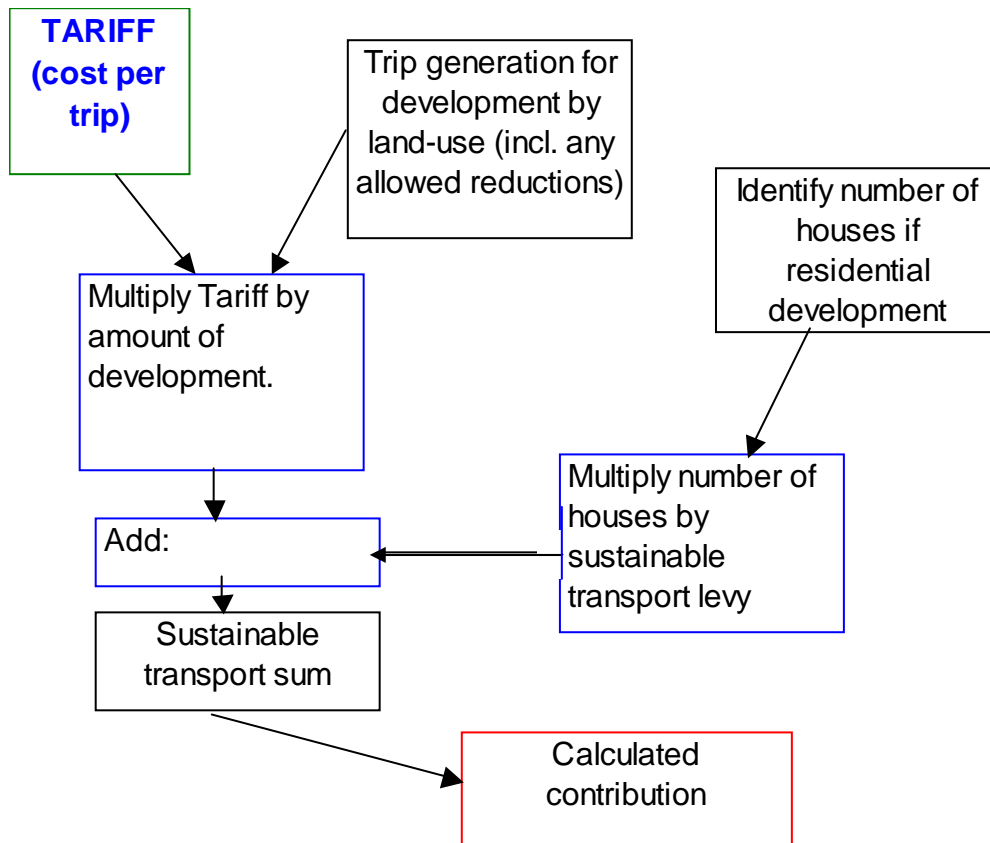


Figure 2: Outline of Transport Tariff Application



## 5: APPENDICES

### A: Developing the tariff

#### Identify the amount of predicted development

5.1 The amount of development growth has been derived from the Draft South West Regional Spatial Strategy 2006 – 2026, and the Swindon Employment Review, main report 2007. All committed development for which contributions or transport infrastructure and services have already been secured, has been deducted from the totals published in these documents. The net development totals are shown below.

- Residential – 20,524 units.
- Offices – 163,933 m<sup>2</sup>
- Industrial – 10,436 m<sup>2</sup>
- Warehousing – 195,467 m<sup>2</sup>
- Retail has not been included in the total trips (See paragraph 5.8)

#### Identify vehicle trip rates

5.2 The total two-way daily vehicle trips associated with this quantum of development have been derived from the TRICS database version 2007b. Mixed private housing has been used for the residential trip rate. Employment trip rates are based on an assumption that one third of the trips are generated by new housing developments in the Borough and thus already counted and existing housing generates two thirds. TRICS also indicates a lower trip rate for town centre office development compared to offices in other areas. The base trip rates are therefore as follows.

- Residential  
(assume 3-bed house average) 6 veh. trips per dwelling
- Offices (town centre) 0.05477 veh. trips per sq.m
- Offices (employment area) 0.09927 veh. trips per sq.m
- Industrial 0.0502 veh. trips per sq.m
- Warehousing 0.0414 veh. trips per sq.m

5.3 Therefore total two-way daily vehicle trips associated with the planned development up to 2026 are:

• Residential 6 x 20,524	123,144
• Offices (town centre) 0.05477 x 90,000	4,929
• Offices (employment area) 0.09927 x 73,933	7,339
• Industrial 0.0502 x 10,436	524
• Warehousing 0.0414 x 94,467	3,911
Total vehicle trips for these categories	139,847

### Identify cost of transport schemes

5.4 Interim Transport Strategy Schemes 2008 – 2026 8.1 – 8.4 was derived originally from Appendix 2 (A Sustainable Transport Strategy) of the Swindon Joint Study 2026 published in 2005 (<http://www.swindon.gov.uk/environment-forward-subregional>). The total costs include the appropriate recommended optimism bias factor for those schemes, which are complex or delivered over a long time period. The original figures published in 2005 have also indexed to account for the increase in construction costs to date. The remaining schemes have been derived from the recommended strategy in Appendix 2 of the Swindon Joint Study, updated, and are based on the Council's Local Transport Plan objectives.

Swindon Junction Improvements	£62,392,525
Public Transport Priority measures	£80,218,961
Public Transport infrastructure	£62,392,525
Public Transport service improvements Evening & Sunday	£30,735,234
Park & Ride	£16,043,792
Bus Interchange capital and revenue costs	£6,138,947
Travel Plan monitoring*	£1,008,000
Footway and footpath link improvements	£7,552,632
Cycleway link improvements	£5,949,474
Total value of schemes	£272,432,090

\* involves one member of staff and associated costs

Possible LTP contribution up to 2026	(£41,140,000)
Possible other public sector contribution	
25% of total schemes (based on best practice	
From other Local Authorities)	- (£68,107,773)

Total Contribution from Development £163,184,317

5.5 The total amount of schemes to be paid for by development is divided by the total number of vehicle trips from the predicted amount of new development between up to 2026.

Contribution per trip: **£163,184,317 / 139,847 = £1,167**

### Identify sustainable transport levy

5.6 To encourage a travel modal shift towards public transport, the cost of one annual bus pass will be added to each residential dwelling. One person in each dwelling will be able to claim the pass in the first year of occupancy. The current cost is £400 including administration. Unclaimed funds will be used for the promotion of sustainable transport.

### Sliding scale of contributions from residential development

5.7 To reflect government requirements in circular 05/05, which states that obligations must be fairly and reasonably related in scale and kind to the proposed development, it is proposed to introduce a sliding scale of contributions. The average house generates six two-way daily trips. This has been applied to three-bedroom houses. Smaller dwellings will generally generate fewer trips and larger dwellings generally more. The proposed sliding scale of contributions per dwelling is therefore as follows.

1 bed dwelling 4 trips/day 2 way = 4 x £1,167 + £400	£5,068
2 bed dwelling 5 trips/day 2 way = 5 x £1,167 + £400	£6,235
3 bed dwelling 6 trips/day 2 way = 6 x £1,167 + £400	£7,402
4 bed dwelling 7 trips/day 2 way = 7 x £1,167 + £400	£8,569
5 bed dwelling 8 trips/day 2 way = 8 x £1,167 + £400	£9,736
6 bed dwelling 9 trips/day 2 way = 9 x £1,167 + £400	£10,903

### Other development trips

5.8 There will be trips generated on the network by other development uses, such as retail, schools, colleges, nurseries, hotels, leisure and health facilities for which contributions will be required at a two thirds rate as with other non-residential uses. These developments will be individually assessed using either a Transport Assessment or, in the case of smaller developments, a Transport Statement.

### Trip rate related reductions

5.9 These will apply in the following circumstances.

- Where there is already an existing vehicle trip rate associated with a site. This trip rate will be subtracted from the proposal trip rate to produce the net trip rate. Sites, which have been dormant for five years or more, will not qualify for any reduction due to existing trips.
- Shared trips for retail development where they can be demonstrated through a Transport Assessment.
- Town Centre and Old Town residential developments receive a reduction of one vehicle trip per dwelling. The town centre (central area) and Old Town are the areas defined in the Swindon Local Plan Inset Map – Urban Area.

## **B: Payment of contributions**

- 5.10 The payment arrangements will be the same as for other developer contributions. For sites with fewer than 10 dwellings or an employment gross floor area less than 300 sq. m, the applicant will normally be required to enter into a unilateral undertaking. Larger developments will require a section 106 legal agreement. As a guide this will enable contributions to be phased as follows.
- 50% of the total contribution payable prior to commencement of the development.
  - 25% of the total contribution to be payable prior to the completion of one third of the development units.
  - The remaining 25% to be payable prior to the completion of three-quarters of the development units.
- 5.11 In the event of a key piece of infrastructure requirement for any specific development the Council may seek a greater percentage of the overall contribution at either the first or second trigger point above and conversely, if this is not the case there may be scope to pay a slightly lesser proportion at either of these times if appropriate.
- 5.12 The amount payable will be subject to an adjustment from the date the planning application was submitted to the date of payment based on the Road Construction Price Index.
- 5.13 In accordance with the usual procedures in section 106 agreements, there will be provision made for the repayment of developer contributions in the event that they are not utilised after a significant period of time following their receipt. However it should be recognised that contributions may be held for specific purposes or may be awaiting further contributions to enable a piece of infrastructure or other element of the Transport Strategy to be paid for.

### C: Worked examples using the tariff

1. 200 apartments at Paramount House, Princes Street. Consisting of 136 no. 1 bed flats and 44 no. 2 bed flats and 20 no 3 bed flats

136 x 4 x £1,167	=	£634,848
44 x 5 x £1,167	=	£256,740
20 x 6 x £1,167	=	£140,040
Bus pass 200x 400	=	£80,000

Town centre reduction		
200x £1,167	-	(£233,400)

Existing trips reduction		
8155 m sq of B1		
0.05477 x 8155 x £1,167	-	(£521,240)

**Total transport tariff = £356,988**

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2. 97 dwellings on a Greenfield site in Haydon 3, consisting of 25 no 4 bed houses, 25 no. 3 bed houses, 44 no. 2 bed houses and 3 no 1 bed flats.

3 x 4 x £1,167	=	£14,004
44 x 5 x £1,167	=	£256,740
5 x 6 x £1,167	=	£175,050
25 x 7 x £1,167	=	£204,225
Bus pass 97 x 400	=	£ 38,800

No reductions

**Total transport Contribution = £688,819**

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3. Edison Business Park Employment Area Office Development of 19,500 sq. m., on a Brownfield site where no development has existed for at least 5 years.

$$19,500 \times 0.09927 \times \text{£}1,167 = \text{£}2,259,038$$

No reductions

**Total Transport Contribution = £2,259,038**

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4. B2 Industrial Development of 5,710 sq. m on a Greenfield site at South Marston Business Park

$$5,710 \times 0.0502 \times \text{£}1,167 = \text{£}334,511$$

No reductions

**Total Transport Contribution = £334,511**

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5. B2/B8 Industrial and Warehouse Development of 139,500 sq. m on a Greenfield Triangle Site at South Marston. 50% Industrial and 50% Warehouse

$$68,750 \times 0.0414 \times \text{£}1,167 \quad (\text{B8}) = \text{£}3,321,574$$

$$68,750 \times 0.0502 \times \text{£}1,167 \quad (\text{B2}) = \text{£}4,027,609$$

No reductions

**Total transport Contribution = £7,349,183**

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## Glossary of Terms and References

1. Swindon Borough Local Plan, 2011: Plan prepared by Swindon Borough Council. Includes the general policy framework under which planning applications will be assessed. It contains site allocations for future development.
2. PPG13: Planning Policy Guidance 13 - Transport: Provides Central Government guidance on integrating Planning and Transportation at a national, regional strategic and local level.
3. Circular: Advice given by Government to assist in the interpretation of primary legislation, i.e. the Town and Country Planning Act 1990 and the Planning and Compulsory Purchase Act 2004.
4. Draft Regional Spatial Strategy for the South West (RSS): Replaces the Regional Planning Guidance and Structure Plans. It was prepared by the South West Regional Assembly and sets housing and employment requirements for Swindon up to 2026.
5. Joint Swindon Study 2026: Study carried out in 2005 to investigate the key issues in the Swindon sub-region. It looked forward to 2026 and was used to inform the Regional Spatial Strategy. The company, Parsons Brinkerhoff, carried out the transport element of the study.
6. TRICS: A national database of vehicle and multi modal trip rates regularly submitted as part of developers' Transport Assessments.
7. Local Transport Plan (LTP): The second Local Transport Plan (2006 – 2011) presents a five-year strategy for transport in the Borough of Swindon.
8. S106 Agreement: Formal agreement made under S106 of the Town and Country Planning Act, 1990 between a developer and the Council. It is entered into as part of negotiations on a planning application, setting out responsibilities for provision of infrastructure and facilities necessary for the development to proceed.
9. Travel Plan: Swindon Borough Council has produced guidance on the implementation of Travel Plans, which are used to promote more sustainable transport choices for moving people and freight.
10. Road Construction Tender Price Index: The Department of Trade and Industry compiles the Road Construction Price Index from bills of quantity received by the Highways Agency from its regional offices and from local authorities. An index is published for Great Britain and adjustment factors are issued for eight groupings of counties covering Great Britain. Data is collected on an ongoing basis as and when contracts are awarded, and published quarterly by the Department of Trade and Industry.

This information about the Draft Developer Contributions for Transport Infrastructure and Services Development Control Guidance Document is available on the internet at <http://www.swindon.gov.uk/developercontributions>. It can be produced in a range of languages and formats (such as large print, Braille, or other accessible formats) by contacting the Customer Services Department.

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