

Public Document Pack



EXECUTIVE DECISION DAY NOTICE

Leader and Executive Member for Hampshire 2050 and Corporate Services & Deputy Leader and Executive Member for Hampshire 2050 and Corporate Services Decision Days

Date and Time Monday, 22nd January, 2024 at 2.00 pm

Place Remote Decision Day - Remote

Enquiries to members.services@hants.gov.uk

Carolyn Williamson FCPFA
Chief Executive
The Castle, Winchester SO23 8UJ

FILMING AND BROADCAST NOTIFICATION

This decision day is being held remotely and will be recorded and broadcast live via the County Council's website.

AGENDA

Leader and Executive Member for Hampshire 2050 and Corporate Services

DEPUTATIONS

To receive any deputations notified under Standing Order 12.

KEY DECISIONS (NON-EXEMPT/NON-CONFIDENTIAL)

1. A326 NORTH WATERSIDE IMPROVEMENTS UPDATE (Pages 5 - 58)

To consider a report of the Director of Hampshire 2050 giving an update on the A326 North Waterside Improvements Scheme.

NON KEY DECISIONS (NON-EXEMPT/NON-CONFIDENTIAL)

2. 2024/25 REVENUE BUDGET AND CAPITAL PROGRAMME - HAMPSHIRE 2050 DIRECTORATE (Pages 59 - 74)

To consider a report of the Director of Hampshire 2050 setting out proposals for the 2024/25 revenue and capital budget for the Hampshire 2050 Directorate.

3. 2024/25 REVENUE BUDGET - CORPORATE SERVICES (Pages 75 - 92)

To consider a report of the Director of Corporate Operations and Director of People and Organisation setting out proposals for the 2024/25 revenue budget for Corporate Services.

4. AWARDS FROM COMMUNITY GRANT SCHEMES (Pages 93 - 102)

To consider a report of the Director of Hampshire 2050 detailing grant applications received from the Community Grant Schemes.

5. GUIDANCE ON PLANNING OBLIGATIONS AND DEVELOPER INFRASTRUCTURE CONTRIBUTIONS (Pages 103 - 208)

To consider a report of the Director of Hampshire 2050 seeking approval of the Guidance on Planning Obligations and Developer Infrastructure Contributions document and its adoption.

EXCLUSION OF THE PRESS AND PUBLIC

That the public be excluded from the meeting during the following item of business, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during this item there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12 A of the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the report.

KEY DECISIONS (EXEMPT/CONFIDENTIAL)

6. A27 ST MARGARET'S ROUNDABOUT FAREHAM - LAND DISPOSAL STRATEGY (Pages 209 - 222)

To consider an exempt report of the Director of Hampshire 2050 on the land disposal strategy for the A27 St Margaret's Roundabout in Fareham.

NON KEY DECISIONS (EXEMPT/CONFIDENTIAL)

None

ABOUT THIS AGENDA:

On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.

ABOUT THIS SESSION:

The press and public are welcome to observe the public sessions of the decision day via the webcast.

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Leader and Executive Member for Hampshire 2050 and Corporate Services
Date:	22 January 2024
Title:	A326 North Waterside Improvements Update
Report From:	Director of Hampshire 2050

Contact name: Jason Tipler

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Purpose of this Report

1. The purpose of this report is to:
 - provide an update on the development of the A326 North improvement scheme to date and set out the next steps
 - outline the feedback that was received during the summer 2023 public engagement and how the design is evolving in response
 - summarise the key project risks and confirm authority to continue the development of the scheme in light of these risks
 - set out the Council's conditions for being scheme promoter into the delivery phase of the project
 - provide authority to submit a Planning Application and Outline Business Case (OBC) for the scheme and assemble the necessary funding package

Recommendations

2. That, following the confirmation of additional third-party funding set out within the finance section, the Leader and Executive Member for Hampshire 2050 confirms the continued development of the A326 North scheme and associated commitment of resources up to Planning Application and Outline Business Case (OBC) submission, planned for Autumn 2024.
3. That, in light of the engagement feedback and design development work set out in this report, authority is delegated to the Director of Hampshire 2050 to make all necessary arrangements for submission of a Planning Application and OBC for the scheme; and (in consultation with the Head of Legal Services) to enter into and progress any necessary contractual arrangements.
4. That the key project risks associated with both the development and delivery of the scheme are noted, as set out in the table at paragraph 48 of this report.
5. That, given the risks around potential scheme cost increases post OBC approval, the Leader and Executive Member for Hampshire 2050 confirms that

the County Council is willing to continue being scheme promoter should the scheme proceed to the delivery stage, but that it cannot use any of its general funding to contribute to scheme delivery costs or future scheme cost increases, unless these are underwritten by a third party.

6. That the County Council's conditions for being scheme promoter during the project delivery phase are noted, as set out in paragraph 58 of this report and that authority is delegated to the Director of Hampshire 2050 to notify funding bodies of these conditions and seek confirmation in writing of their acceptability and/or willingness to enter into negotiations around how cost risks could be fully managed. Confirmation will be required post any OBC approval, or the County Council will be unable to proceed with delivery of the scheme.
7. That authority is delegated to the Director of Hampshire 2050 to identify and agree in principle the necessary local match funding package to deliver the scheme, and (in consultation with the Head of Legal Services) to enter into and progress any necessary contractual arrangements. This local match funding will need to be fully identified by the point of OBC submission, or the County Council cannot submit the OBC.

Executive Summary

8. This paper sets out the background to the A326 North improvement scheme, including a history of the scheme development to date; the reasons why it is coming forward at this time; the scheme objectives; and the current funding and financial considerations.
9. It then provides a summary of the scheme engagement that has been undertaken to date, notably reporting back on the feedback provided during the six-week public engagement that took place during June and July 2023. All the key themes are drawn out and some comments provided in response to these, together with a summary of how the design is evolving in response to feedback as the next stage of design is commenced.
10. Following this the key financial issues and risks faced by the project are set out, which are significant and complex given the scale of the project and its location next to the New Forest National Park. These are set out in order that a decision to both continue progressing the scheme development work and ultimately to deliver the scheme can be made in full recognition of the known risks.
11. Linked to the above, some conditions are set out that the County Council will require to be met in order to continue being the promoter of the scheme, including if and when it moves forward to the delivery stage. These conditions will then be communicated to relevant funding bodies and appropriate arrangements requested to be put in place.
12. The report concludes by setting out the financial considerations for the scheme development work and summarising the next steps that will be taken to develop the scheme towards the submission of a Planning Application and OBC in due course.

Case for the Scheme

13. The proposed scheme involves a series of junction improvements and road widening along the A326 in the Waterside area of the New Forest, between the Michigan Way junction west of Totton (to the north), and the Main Road junction at Dibden (to the south). The scheme will increase highway capacity and provide improved facilities for people walking and cycling, including new crossing facilities.
14. The strategic case for the scheme is strong as it helps solve longstanding traffic congestion and severance issues currently experienced on the A326, which forms the only main road link between the Strategic Road Network and the main urban areas on the Waterside including Totton, Marchwood, Hythe, Dibden Purlieu and Holbury. The A326 can also act as a barrier between the urban areas to the east and the New Forest National Park to the west. Being in proximity to a National Park it will include an extensive package of environmental mitigation and is required to increase the net biodiversity.
15. The scheme also helps to facilitate the growth ambitions set out in the Waterside Vision, as agreed by the County Council, New Forest District Council and New Forest National Park Authority in September 2020. This includes several developments with national importance to the UK and local economy and significant future housing growth as identified in the New Forest District Council Local Plan, including Fawley Waterside. The scheme is also a key enabler of the Solent Freeport sites, most of which are in the Waterside, and which may not come forward without the A326 improvement.
16. The A326 North scheme objectives are as follows:
 - enhance accessibility for all users of the transport network including people not driving
 - address traffic congestion and journey time delays along the corridor
 - facilitate economic development along the corridor
 - minimise the impact on the New Forest
 - complement other investment in the area, in order to deliver wider benefits for local communities, businesses and visitors
17. The expected scheme outcomes are as follows:
 - increased traffic capacity on A326 that encourages traffic to use the A326 rather than other parallel (less suitable) routes, such as through the National Park and Waterside communities
 - a reduction in the potential for the A326 to act as a barrier to movement across it (severance) and improved access into the National Park from adjacent urban areas
 - a substantial programme of environmental mitigation and enhancement, both on and off-site (minimum 10% uplift in biodiversity)
 - an enabler of other measures in adjacent areas as outlined in the Waterside Transport Strategy, i.e. parallel improvements for active travel modes in the Waterside communities and within the National Park

Contextual information

18. The A326 North scheme is part of the Government's national Large Local Majors (LLM) programme, which is itself part of the Major Road Network (MRN) funding stream. This is a programme set up by the Department for Transport (DfT) to assist Local Transport Authorities in funding the largest and most important schemes they have on their local road networks. The scheme went through a competitive sifting process administered by Transport for the South East (TfSE), the sub regional shadow National Transport Body and is one of a handful of schemes in the South East Region that have been selected to progress to a more detailed business case stage.
19. The scheme is a transformative transport scheme in the County Council's Waterside Transport Strategy, which was adopted in November 2022. In the Strategy the scheme is seen as both an enabler of economic growth on the Waterside by improving journey times along the only main road that connects existing and potential development sites, but also as an enabler of other parallel measures to improve facilities for active travel modes, in part by reducing severance due to providing improved crossing facilities, but also by redistributing traffic away from other parallel and less suitable routes, such as those through the National Park and through Waterside communities. By doing this it frees up capacity to be used to improve facilities for active travel modes on the parallel routes, some of which will be brought forward as part of the A326 North scheme.
20. The scheme also fits in with the emerging Hampshire Local Transport Plan 4 (LTP4), in terms of focusing investment in highway capacity schemes on a limited number of key strategic highway corridors across Hampshire, in locations where this will help to enable economic growth.
21. In order to secure funding to develop the scheme an initial pre-Strategic Outline Business Case (SOBC) was submitted to Transport for the South-East (TfSE) in August 2019 for development funding from the DfT Large Local Majors (LLM) fund, to improve the A326 corridor in the Waterside area. The bid was subsequently prioritised by TfSE and submitted to the DfT in September 2019. Notification was received in the March 2020 Government Budget announcement that the County Council was invited to proceed to submission of a SOBC.
22. In July 2021 the County Council submitted the SOBC to the DfT for approval, which contained an appraisal of three scheme options, ranging from a low scope/cost to a high scope/cost. A public engagement exercise on the issues for the scheme to address and the three options set out in the SOBC took place between June and August 2021, alongside engagement on the Waterside Transport Strategy and some other transport schemes in the Waterside.
23. On 18 November 2021 a report was considered by the Executive Lead Member for Economy Transport and Environment (ETE) which did the following:
 - provided the feedback from the summer 2021 engagement exercise
 - gave approval to develop 'Option 2' from the SOBC as the preferred improvement option for the A326 (subject to the approval of the SOBC by the DfT)
 - formally delegated authority to the then Director of ETE, in consultation with the Head of Legal Services, to enter into contractual arrangements with the DfT to spend Large Local Majors (LLM) funding on developing the preferred

improvement option and to assemble the necessary financial package to deliver the scheme

24. The SOBC was approved by the DfT in February 2022 and the County Council was offered £1.254million of development funding, in line with the estimated scheme development costs set out in the SOBC, which were estimated in early 2021 to be a total of £1.9million – note the DfT will provide up to two-thirds of the scheme development costs for schemes in the LLM programme.
25. In March 2022 Hampshire County Council agreed to accept the DfT funding and its associated terms, which include repayment of the grant if the County Council ultimately decides not to proceed with delivering the scheme.
26. Following DfT approval of the SOBC work commenced on the feasibility design for Option 2 from the SOBC, which is subsequently referred to as the ‘preferred scheme’, and during June and July 2023 a public engagement exercise took place, which presented the preferred scheme design for review and feedback.

Consultation and Equalities

27. The public engagement process took place over a six-week period between Monday 5th June 2023 and Sunday 16th July 2023. Prior to this, the engagement was advertised online via the County Council’s press and social media outlets, posters put up in the local area, information on the Real Time Information (RTI) screens at bus stops across the Waterside, and via around 35,000 postcards that were posted to residents and businesses within the vicinity of the A326, most notably within Totton, Marchwood and Hythe and the surrounding areas. Direct contact and meetings were also held with key stakeholders to better understand their views.
28. To inform the engagement an Information Pack was produced which outlined the scheme proposals and this was published online along with a ‘fly-through’ video showing an overview of what the scheme might look like once completed. There was also a feedback survey that was available online and via paper copy on request, which sought views on all aspects of the scheme proposals and provided an opportunity for people to provide feedback on anything else related to the scheme design.
29. Four public exhibition events took place throughout the engagement period at locations in Totton, Marchwood, Hythe and Fawley, which provided people with an opportunity to review the scheme information and ask questions of County Council Officers in attendance. There were also two online question and answer sessions hosted via Microsoft Teams during the consultation period, which enabled people to ask questions of County Council Officers. In total over 900 people attended the public events and over 500 online and paper feedback surveys were completed. Further to this, 19 emails were directly received and 178 comments on the scheme were made on social media. From the responses received, 92% of the people lived within the Waterside area.
30. A full report detailing the feedback received during the engagement is provided as Appendix A to this report and a summary of the main points and themes is provided below.
31. Overall, the feedback received shows that there were mixed opinions about the different aspects of the scheme’s impact. The most important priority to

respondents was improving traffic flow on the A326 with 54% of respondents - believing that the scheme would not deliver this. It is noted that public engagement did not provide any detail of the traffic modelling and that this was therefore based on opinion rather than any evidence.

32. The current traffic modelling indicates that even with future traffic growth and new development traffic there will be an improvement to traffic flow on the A326 as well as improvements to parallel routes where a reduction in traffic would be of benefit. The traffic modelling indicates that the greatest benefit of the scheme on the A326 will materialise when committed and future development traffic comes online and that this is something that the current users of the A326 would not be able to directly identify with. As the scheme develops further, the modelling results will be shared to assist in demonstrating the advantages of the proposed scheme.
33. The second most important priority identified in the feedback was improving crossing of the A326 for people walking and cycling, with 51% of respondents stating that they thought the scheme would deliver this. This accords with the consultation with key stakeholders, The New Forest National Park Authority and the New Forest District Council, who both stated that improving sustainable links across the A326 would be essential in improving walking and cycle access to the National Park.
34. Since the public engagement further analysis has been conducted to improve the accessibility for walking and cycling across the A326, as well as looking at the off-A326 routes that connect to this key new proposed infrastructure.
35. Nearly two thirds of respondents had concerns about the environmental impact of the scheme, with 44% being very concerned. However, the scheme priority related to the environment (improving biodiversity through mitigation and enhancement) was ranked the lowest in terms of importance in the engagement feedback.
36. The mitigation plans for ecology and improving biodiversity have yet to be fully devised as they require the design to be fixed and so form a key part of the next stage of the design process. Consequently, it was only possible to provide limited information within the engagement Information Pack and as such there was unlikely to be sufficient information to fully allay any concerns over the environmental impact of the scheme. The County Council is seeking to provide an exemplar scheme that focuses on protecting ecology and enhancing biodiversity in alignment with the County Council's standard practice and emerging new policy around biodiversity. Once more details of the plans are available, they will be shared with the public to demonstrate a commitment to this.
37. With regards to environmental concerns, the most frequent comment from the feedback was related to preserving existing trees and vegetation. The design process has sought to minimise tree loss as much possible, notably seeking to avoid any loss of ancient woodland, or removing trees where they form a shield between the road and adjacent residential property. Given the nature of the scheme and its location there will inevitably be some tree loss, but by employing a specialist arboriculture consultant all existing mature trees have been categorised in terms of their value and the next stage of the design process will involve working with this consultant to ensure that as many of the highest value

trees can be retained and protected as possible. For any trees that do need to be removed, a comprehensive planting plan will ensure that significantly more new trees are planted than those that have to be removed.

38. There was support for scheme specific elements of the overall scheme, with the most support for improvements at the Twiggs Lane junction in Marchwood, which is adjacent to Marchwood Church of England Infant School.
39. Further comments have been raised regarding noise and air quality concerns related to traffic on the A326. It is important to highlight that no noise and air quality assessments have been undertaken yet and as such no mitigation measures have been presented to the public. A comprehensive assessment of the necessity for noise mitigation will be carried out during the next stage of design, especially in areas where the road and any proposed widening are in close proximity to existing properties. In such cases, appropriate measures, such as acoustic fences, will be provided if an increase in noise above the thresholds set down in Environmental Impact Assessment guidance is forecast.
40. Another point frequently mentioned was in relation to the proposed dual carriageway only covering some sections of the scheme, which would result in shifting the existing bottleneck further south. It must be noted that where the proposed widening ends, there is not enough space within the existing highway boundary to expand the dual carriageway without encroaching onto highly sensitive areas such as ancient woodland. Despite this, the design aims to go some way towards improving journey times and alleviating bottleneck issues. The traffic modelling undertaken shows a significant improvement in journey times along the A326 corridor, which should address some of the concerns raised during the consultation.
41. Many respondents had concerns over the construction of the scheme and how long it would take. It is noted that the consultation took place when the Redbridge flyover had major roadworks that heavily impacted traffic flows in the area and notably traffic on the A326. As the scheme develops detailed consideration will be given to how the scheme could be constructed, with the aim being to minimise the impact on the travelling public.
42. Further comments raised concerns with the overall impact upon Marchwood itself, along with the fact that the scheme improvements at Twiggs Lane could increase traffic along this sensitive route. A number of the respondents stated the idea of alternatively providing a new junction to the south of Marchwood on the A326 to provide a more suitable route into Marchwood that avoids sensitive routes. Since the consultation this idea has been investigated and found that it could provide benefits not just to the A326, but the wider highway network around Marchwood given the constraints at the existing junctions with the A326, and as such it is proposed to be included in the design (see also paragraph 45 below).
43. With regard to the cycle route options for the section of the A326 between Marchwood to Dibden, there was overall more support for providing an off-road route next to the A326 than for improving the on-road parallel route along Hythe Road. Of the people who preferred the on-road option, adding traffic calming was the most popular whilst closing the road to through traffic via a modal filter (or similar) was the least popular. On balance it is planned to take forward improvements to the on-road route along Hythe Road, together with a feature to

prevent through traffic on Hythe Road (such as a modal filter), for the following reasons:

- Widening alongside the A326 to provide a new cycle route would require the removal of several hundred trees and a significant amount of vegetation. The environmental impact of doing so is not considered to be acceptable in the context of the benefits that would be provided on a rural cycle path, with a relatively low number of expected users, especially when there is an alternative route available.
- Providing the route along Hythe Road complies with the adopted Waterside Local Cycling and Walking Infrastructure Plan (LCWIP), which identifies the Hythe Road route as the preferred route for improvements. It also complies with the overall aims of the A326 North scheme, which promote the use of the A326 for vehicles by improving capacity, leaving the local road network more lightly trafficked and providing opportunities to make improvements for other modes of transport. Bus access along Hythe Road is likely to be maintained so as not to negatively impact existing residents.
- It is likely that a number of people who stated that they preferred an off-road cycle route by the A326 did so by comparing this to the existing on-road situation along Hythe Road, which it is agreed is not conducive to cycling, hence why further measures are being proposed along Hythe Road to improve this route for people cycling.
- By providing a new junction south of the Pilgrim Inn (see paragraph 45 below) there will be less need for people to use Hythe Road in order to access Marchwood to/from the south. This means that Hythe Road access can be maintained for residents/businesses only, but with a significantly reduced volume of vehicles, which will make the road environment much more attractive and safer for on-road cycling.

44. Some of the other most popular comments made included the following:

Comment	HCC Response
Costs too high for the benefits	Ultimately this will be a decision for the funding bodies to make, as to whether the scheme represents value for money. The benefits of the scheme will be to some extent derived when compared to a 'do nothing' future scenario which has higher levels of traffic and development but without any road improvements, in order to highlight the issues that will be prevented by implementing the scheme.
New traffic lights will not improve traffic flow	The benefit of traffic lights is that they can provide a more even distribution of capacity to all approaches to a junction, rather than one or two movements being dominant to the detriment of others (such as side roads), which can often be the case with roundabouts. They also have wider benefits of having a smaller footprint when compared to a roundabout, so their use can avoid sensitive areas such as ancient woodland or other geometric constraints. It is also easier to incorporate

	safe pedestrian and cycle crossing facilities within a signal junction, without unduly affecting traffic flow.
Should provide a dual carriageway all the way down to Dibden/Applemore	This issue was considered in the previous Decision Report for the scheme in November 2021, which documented why the preferred option was chosen as opposed to providing a dual carriageway down to the Applemore roundabout. In particular whilst this would have more traffic benefits it would also have a substantially higher cost that would outweigh the additional benefits. Furthermore, the environmental constraints on the southern section would also mean that the environmental impact of this additional dual carriageway was considered to be unacceptably high, due to factors such as Ancient Woodland and impact on the New Forest National Park.
Need alternative to the private car – including waterways	This point is largely agreed and accords with the County Council's policy as set out in the Waterside Transport Strategy of pursuing multi modal improvements for transport in the Waterside. To date the Council has developed and will deliver improvements to bus priority, walking and cycling via the Transforming Cities programme; has conditionally supported the Waterside Rail scheme to re-open the Waterside line to passenger services; and in terms of this scheme are seeking to take every opportunity to improve provision for those walking and cycling, as well as improving highway capacity. The County Council has limited remit in terms of the use of waterways, but it is beyond the scope of this scheme to provide any improvements. Although it should be noted that the Council has for years subsidised the Hythe Ferry service (to/from Southampton), in recognition of the benefits that it offers to the Waterside area.
Noise mitigation for properties near to the widened road	The need for this will be verified via an assessment of the change in noise levels as a result of implementing the scheme, which will be documented in the Environmental Statement to be submitted as part of the Planning Application. Where the assessment identifies an increase in noise above thresholds stipulated in guidance, mitigation will need to be provided for scheme to be considered acceptable.
Why are you providing at-grade traffic light crossings, rather than grade separated crossings such as bridges or underpasses?	At-grade crossings are considered to provide an acceptable level of service for most types of users and whilst by their nature they interfere with traffic flow, this can be carefully managed through the use of staggered crossings and modern detection technology, to ensure that the impact on vehicles is minimised. Underpasses and bridges both have their drawbacks for example in terms of safety and security and furthermore would involve construction costs that would be several orders of magnitude higher.

45. The following points summarise how the scheme design is evolving following some of the feedback that was provided as part of the engagement:

- Incorporation of a new junction on the A326 for Marchwood, located south of the Pilgrim Inn, instead of major improvements at either the Twiggs or Staplewood Lane junctions. This would also enable the closure of Twiggs Lane on the Marchwood side, to improve the environment in the vicinity of Marchwood Infants School. Appropriate measures will be put in place along Twiggs Lane, developed in conjunction with the school. Given this is a significant change to the design, further details will be published on the scheme webpage in due course, prior to any Planning Application submission.
- Incorporation of the option to turn right into Staplewood Lane from the A326 south, where the previous proposals had banned this movement. It was frequently raised at the engagement events that this movement was well used by people accessing the household recycling centre and keeping this option reduces the need for vehicles to travel through Marchwood village as an alternative.
- Further revisions to the alignment at both the Fletchwood Road and Cocklydown Lane roundabouts, to try and reduce the speeds of approach traffic on the A326 and make it less difficult for traffic to join the roundabout from the side roads, e.g. Fletchwood Road and Cocklydown Lane. This was frequently raised during the engagement events as being an issue.
- The scheme will not include a section of cycle path directly alongside the A326 between Marchwood and Dibden, in response to a preference from regular cyclists to use an improved on-road route along the parallel section of Hythe Road instead. It is likely that a modal filter will be brought forward at a location TBC along Hythe Road, to significantly improve the walking and cycling environment along Hythe Road. This will in part be facilitated by the proposed new junction south of the Pilgrim Inn, which will largely obviate the need for vehicles to use Hythe Road as a through route.
- A reduced scheme cross-section will be taken forward, which will involve reduced traffic lane, verge and drainage widths in order to reduce the impact of the scheme on the adjacent environment and reduce overall land take.
- Further opportunities to provide parallel measures to improve walking and cycling or manage the traffic flow on alternative routes to the A326 are also being considered, in order to ensure that the scheme meets its aim of getting through traffic back onto the A326 and away from less suitable parallel routes and at the same time providing environmental improvements in adjacent areas which help to encourage travel by active modes. This could include for example measures on the A336 through Cadnam and measures along Trotts Lane.

46. In regard to Equality Impact Assessment (EIA), no impacts have been identified at this stage, as the report is primarily related to approval to undertake the next stage of scheme development work. This development work will aim to design a scheme that is suitable for all users of the transport network and as such at this stage is considered to have a neutral impact on all those with protected

characteristics. However, regarding Age, Disability, Pregnancy & Maternity, and Poverty, the scheme is overall expected to have a positive impact if implemented, as it will include a number of measures that will make crossing the road easier and safer, something that will be of particular benefit to people with those protected characteristics. As part of scheme development work there is the potential for possible equality impacts to be identified and, if so, these will be fully documented in a future Decision report to the relevant Executive Member.

Key Risks for the Scheme

47. There are significant benefits to delivering the scheme for the region, but in being the scheme promoter the County Council has historically taken on a range of project risks. The financial risks associated with being the scheme promoter for the A326 have been endorsed at past Executive Member Decision Days however, the financial risk environment is different to when the County Council first assumed the promoter role. It is different due to exceptionally high levels of construction price inflation as well as increased technical and environmental challenges, which are driving scheme cost increases both in the development costs and in the expected implementation costs. There is also an increased awareness of the County Council's forecast budget gap of £132m for the two years to FY25/26.

48. The table below sets out the key risks associated with both the continued development and the delivery of the scheme.

Risk	Likelihood	Likely Value range	Mitigation	RAG following mitigation
Scheme Development funding increases	Low	£200k-£500k	Likely to be able to secure more development funding from external sources including the DfT or Freeport	Green
Change of Government in 2024 means that the LLM programme has reduced funding or no longer exists	Medium	Up to £1.5m of funding spent on the scheme to date	Close liaison with DfT but limited ability to mitigate	Amber
Scheme does not receive Planning Permission and therefore cannot proceed	Medium	Circa £3m of funding spent on the scheme development	Close liaison with Planning Authorities (HCC and NFNPA) to address their likely issues	Green
Scheme unable to demonstrate an acceptable business case and therefore not able to secure DfT funding	Medium	Circa £3m of funding spent on the scheme development	Early assessment of likely value for money and DfT views on this, plus DfT views on the strength of Strategic Case, which could overcome any concerns with value for money.	Amber

Scheme increases in price between securing funding for delivery and tendering works	Medium	Estimated at 20% of scheme total costs or up to £25m	Apply Webtag contingency and optimism bias. Reduce scope of project – do less. Do not accept tender and abandon project or reach agreement with partners to underwrite risk in some way.	Green
Scheme increases in price after tendering delivery and tendering works	Medium	unknown	Do more upfront design work. Apply smart tendering practices with pain / gain share mechanisms. Tender a fixed price option. Descope scheme.	Green

49. In order to continue developing this scheme it is important that there is a recognition and acceptance of the risks set out in the table above, together with the mitigation currently proposed.

Finance

50. For the current scheme development stage, the County Council has now secured £2.724million of external funding, which has come from a combination of DfT LLM funding and Solent Freeport funding, as set out in the table below. This has been supplemented by £646,000 of County Council funding from the Scheme Development and Strategies budget, which together makes up the total anticipated costs for developing the scheme to the point of Planning Application and OBC submission, which are £3.37million.

Funding allocated to date	22/23	23/24	24/25	Total
DfT Capital Grant	£500,000	£754,000		£1,254,000
HCC Scheme Development Budget	£206,715	£300,000	£139,285	£646,000
Solent Freeport		£600,000		£600,000
DfT Additional Grant		£280,466	£589,535	£870,000
	£706,715	£1,934,466	£728,819	£3,370,000

51. A high percentage of the funding for development of the scheme is subject to a clawback clause in the event that the scheme does not progress. Such clauses are rarely, if ever, activated by a funding body. However, a funding body might choose to do so if they considered that a scheme had been abandoned by a promoting authority without due cause. In such a case the County Council would need to find a way of repaying the costs incurred in developing the scheme which clearly escalate as the project progresses. At this time sunk costs are in the order of £1.5m but by the time the Outline Business Case is submitted will be in the order of £3.4m at current estimates. It is important to consider this in the context of the recommendation to continue to be scheme promoter as this risk exposure, although unlikely to occur, grows as the project progresses.

52. For the implementation stage, the current anticipated cost to deliver the scheme is circa £125m, based on the preferred scheme presented in the recent engagement. As part of the LLM programme, the DfT will provide up to 85% of the costs of delivering the scheme, with scheme promoters needing to find the remaining 15% minimum by way of local match. Should the scheme costs remain at £125m, which is not certain for the reasons outlined in the above sections, a local match contribution of circa £19m would need to be found, of which approximately £3m has been secured to date.
53. Options that have been discussed to date for obtaining the required local match funding include the Solent Freeport, by way of borrowing against future retained rates income obtained from tax sites located within the Freeport area. Several of the major development sites in the Solent Freeport area are located within the Waterside and would rely on the A326 for their primary road access and improvements to the A326 are therefore acknowledged by the Solent Freeport as being a key catalyst for helping to unlock development within the Freeport sites.
54. Solent Freeport have advised that borrowing for any investment within its geography will be subject to the receipt of sufficient rates to underwrite the cost of the borrowing and a Board approved full business case identifying all of the funding sources for the proposed project and a suitable commitment being put in place to underwrite any cost overruns.
55. In the absence of the full local match funding coming forward from the Solent Freeport then other local match would need to be secured, which could come from either the private or public sector via mechanisms like Section 106 Developer contributions or the Community Infrastructure Levy, but as outlined further in the section below, the County Council does not intend to put any of its own funding into scheme delivery.

Conditions for Being Scheme Promoter

56. With regard to scheme delivery, the DfT award funding with a condition that once an OBC has been approved and they have agreed to fund a scheme at a certain value, cost increases should be met locally and recommend that LTAs price their schemes with appropriate optimism bias and contingency. Recently the DfT have increased percentages that should be applied to contingency and optimism bias to reflect the new inflationary pressures that have been experienced across the sector.
57. The full conditions which the Solent Freeport may require are unknown at this time and further detail is required regarding the process for awarding funding based on future retained business rates. It has recently been confirmed by Government that the tax incentives associated with Freeport development sites have been extended up to 2031 (subject to a further approval process), which is positive news for the scheme. In practice the longer the incentives last, the timing and value of retained rates flowing to the Freeport should increase and therefore the greater the level of upfront borrowing there is likely to be available for Capital schemes. It is therefore anticipated that the Solent Freeport and its accountable body should be supportive of helping to finance the A326 North scheme, but further detailed discussions with the Freeport will be required to minimise or inform any risk the County Council chooses to take. This is

particularly in regard to the willingness for funding bodies to cover or underwrite any scheme cost increases that occur post OBC-approval, in order to minimise or remove any liability to the County Council.

58. The following finance principles for scheme delivery would be that the County Council will not use its general funding:

- to add to the local match funding
- to contribute to the costs of delivering the scheme
- to underwrite cost escalation that may occur between submission of an OBC and tender returns (typically the DfT will not underwrite this risk but they might given the scale of the scheme)
- to underwrite cost increases after tender has been awarded, unless they are within a certain limit and can be underwritten by a third party

59. The County Council will need to write to funding bodies including the DfT and the Solent Freeport in order to seek confirmation of the acceptability of the above conditions and/or willingness to enter into negotiations around how cost risks could be fully managed. This will need to take place prior to the submission of the OBC and Planning Application for the scheme and confirmation will be required post any OBC approval, or the County Council will be unable to proceed with delivery of the scheme.

Other Key Issues

60. It is currently considered by the County Council that there is a critical piece of work that needs to be carried out regarding the delivery of the Waterside Vision development sites and how to enhance the New Forest National Park / Waterside environment, in light of the potential growth. The County Council cannot lead what would effectively be an environmental enhancement strategy for the Waterside as it encompasses more than what can be delivered as part of the A326 North scheme. However, the County Council is willing to contribute to this work, as elements of a strategy could be delivered by the A326 North scheme, given the requirement for the scheme to not just mitigate its environmental impact, but to provide an overall minimum 10% enhancement in biodiversity as part of the scheme.

61. The County Council has received support for the scheme proposals from key local stakeholders. New Forest District Council have given positive support to the Waterside Transport Strategy and the Solent Freeport have agreed to fund £600k of the development costs. The Waterside Steering Group also receive reports at timely intervals and membership includes the National Park. Prior to submission of the Planning Application and OBC, the County Council will require formal letters of support from key local stakeholders, which will be included as part of the OBC submission to the DfT.

Performance

62. The proposed scheme once implemented would assist with achieving several of the County Council's key strategic aims, namely: Hampshire maintains strong and sustainable economic growth and prosperity; People in Hampshire live safe,

healthy and independent lives; and People in Hampshire enjoy being part of strong, inclusive communities.

63. In terms of the transport outcomes that would be realised once the scheme was implemented, these would include: improved journey times along the A326 helping to address existing congestion and facilitate economic growth in the area; a reduction in severance caused by the A326 (the potential for the road to act as a barrier to movement across it) due to the new crossing facilities that will be provided; an overall improvement in biodiversity in the area due to the package of mitigation and enhancement works that will be required; and improved walking and cycling facilities brought about by the creation of a new greenway and other measures to improve the walking and cycling experience, such as modal filters.

Next Steps

64. If approval is given to continue with developing the scheme, the preliminary design of the scheme will continue, including incorporating various revisions to the feasibility design that was presented in the summer 2023 engagement, the key ones of which are summarised at paragraph 45.
65. The next key milestone will then be to submit the Planning Application for the scheme to the relevant Planning Authorities, which in this instance would be Hampshire County Council Strategic Planning (via a Regulation 3 application) and the New Forest National Park Authority. Around the same time the Outline Business Case (OBC) will be submitted to the DfT for approval and most likely also to the Solent Freeport. It is currently anticipated that the Planning Application will be submitted during autumn 2024.
66. The Planning Application will then be subject to a period of Statutory consultation where stakeholders and members of the public will be able to review all submitted material and make comments / representations, alongside all the statutory consultees. Following this, separate decisions will be made over whether to grant Planning Permission by both Planning Authorities. In tandem with this the DfT will review the OBC and decide whether the scheme will be allocated funding to deliver and proceed to the final stage of the business case process. This is likely to require Ministerial approval given the likely cost of the scheme. It should also be noted that DfT delivery funding is typically fixed based on the amount set out in the OBC.
67. Only once planning permission has been granted, the OBC has been approved, and the County Council is satisfied that appropriate arrangements have been put in place to cover the financial risk to the County Council of scheme cost increases post OBC approval, will a Decision be taken to proceed with the delivery of the scheme. This will be formalised via a report to a future Member decision day.

Climate Change Impact Assessments

68. Given that this report is seeking approval to continue scheme development work only; is not seeking authority for the County Council to implement any physical measures or changes; and that the scheme does not have committed funding in place for its implementation, the Climate Change Adaptation and Carbon

Mitigation tools are not considered to be relevant to this report. Notwithstanding this, a discussion of how the consideration of potential carbon and climate change impacts are feeding into the scheme development is provided below.

Climate Change Adaptation

69. Vulnerability to climate change is a key consideration in the design of the drainage for the scheme, including new or improved bridges, culverts and drainage ditches that will convey highway runoff. These will be designed to the standards set out in guidance, which include an allowance for likely future changes in rainfall frequency and intensity as a result of climate change.
70. Furthermore, as part of the Environmental Impact Assessment for the scheme a full Flood Risk Assessment will be undertaken, as part of the Flood Risk, Drainage & Water Environment chapter. This will ensure that the scheme proposals are designed in such a way that they do not have an overall negative impact on the likelihood for land adjacent to the road to flood, or for existing rivers and watercourses to flood. Again, this will include allowances for likely future increases in rainfall frequency and intensity as a result of climate change. Ideally the proposals will improve the current situation and reduce the likelihood of both river or land flooding to occur.
71. The Environmental Impact Assessment for the scheme will also include a chapter on Climate Change and how the scheme is responding to the challenges associated with this.

Carbon Mitigation

72. The lifetime carbon impact of the scheme, including embedded carbon, is being considered as part of the development of the scheme. Whilst we are still several years away from working with a contractor who will construct the scheme and there is no certainty of getting to this point, there are considerations that can be worked into the design and associated landscape mitigation and enhancement works, to reduce the carbon impact of the scheme. Examples of this include the re-use of existing materials, soils and trees/vegetation that are already on site, rather than importing or using new ones. The scheme will also involve planting significantly more new trees and vegetation than would be removed as part of the works.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Waterside Transport Strategy and Action Plan , Executive Lead Member for Transport and Environment Strategy	7 November 2022
A326 North Improvements Update , Executive Lead Member for Economy, Transport and Environment	18 November 2021
Waterside Transport Strategy Update , Cabinet	16 March 2021
Waterside Transport Update , Executive Member for Economy, Transport and Environment	19 November 2020
Waterside Vision , Cabinet	29 September 2020
Waterside Interim Transport Policy, Executive Member for Environment and Transport	14 November 2017
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

- 2.1. No equality impacts have been identified at this stage, as the report is primarily related to approval to undertake the next stage of scheme development work. This development work will aim to design a scheme that is suitable for all users of the transport network and as such at this stage is considered to have a neutral impact on all those with protected characteristics.
- 2.2. However in regard to Age, Disability, Pregnancy & Maternity, and Poverty, the scheme is overall expected to have a positive impact if implemented, as it will include a number of measures that will make crossing the road easier and safer, something that will be of particular benefit to people with those protected characteristics.
- 2.3. As part of future development work there is the potential for possible equality impacts to be identified and, if so, these will be fully documented in a future Decision report to the relevant Executive Member.

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An aerial photograph of a residential neighborhood with several houses and green spaces. A large, semi-transparent blue banner is overlaid across the middle of the image, containing the title text in white.

A326 (North) Large Local Major Scheme (LLM) engagement report


An aerial photograph of a road intersection. A large truck is stopped at a red traffic light, and a smaller car is visible further down the road. The road has white lane markings and green grassy medians.

Image from Stantec fly through video commissioned by Hampshire County Council

Key findings

Key findings

There were mixed feelings about the different aspects of the scheme's impact, as shown below.



Improving the traffic flow was ranked the most important priority for the area; however, over half of respondents (54%) felt the scheme would not deliver this.



The second most important priority was improving crossing of the A326 for people walking and cycling. 51% of respondents said the scheme would deliver this.



66% of those that cycle along or across the A326 preferred the option of the off-road cycle route directly adjacent to the A326, between Main Road and southern Marchwood.

Nearly two thirds of respondents had concerns about the environmental impact of the scheme, with 44% being very concerned. However, the scheme priority related to the environment (improve biodiversity through mitigation and enhancement) was ranked the lowest in terms of importance.



Overall, there was more support for, than opposition to, the scheme specific elements. The component with the most support was for undertaking a major junction upgrade at Twiggs Lane rather than at Staplewood Lane.



There were lots of comments and ideas about the scheme provided in the open text questions. However, there was little consensus due to conflicting views between environmental concerns, catering for increased traffic and the need to reduce traffic.

Introduction

A326 (North) LLM - background



Background

A significant amount of growth is planned in the Waterside area over the next few decades, with several large development sites identified in the Local Development Plan, and four of the Solent Freeport sites being located on the Waterside.

Hampshire County Council has responded to this growth with the Waterside Transport Strategy and Action Plan, which was adopted in November 2022. The Strategy sets out how the Council will work with partners to plan and deliver transport improvements to support growth, in a way that enhances the sensitive environment of the area.

Improvements to the A326 are included in the Strategy to ensure that it can continue to fulfill its function as the main road link to/ from the area. This would be achieved by increasing capacity on the A326, resulting in reduced traffic on roads through the New Forest National Park and Waterside communities.



The scheme

The highway network in the Waterside area is very constrained. The A326 is the only major route connecting communities to Southampton and the M27 and providing access to the New Forest. There are high levels of delay due to the lack of suitable alternative routes and limited alternatives to the car.

Following a call for schemes by Transport for the South-East (TfSE) in 2019, the County Council put forward improvements to a north section of the A326 between west Totton and Applemore. On the back of this, in March 2020, the County Council was invited to submit a Strategic Outline Business Case for funding from the Large Local Majors fund.

The scheme objectives are to:

- enhance accessibility for all users of the transport network including non-motorised users
- address congestion along the corridor
- facilitate economic development along the corridor
- minimise the impact on the New Forest
- compliment other investment in the area

A326 (North) LLM – aims and method



Aims

Hampshire County Council is committed to listening to the views of residents and stakeholders. The purpose of this engagement project was to inform the further development of plans for the A326 (North) scheme, as there will be another stage of design work undertaken before a Planning Application is submitted for any changes. Specifically, the engagement sought views on the following elements of the scheme:

- the environmental impact of the proposals
- the priorities for the design
- what changes should be made to the design
- feedback on specific elements of the scheme design at various locations



Method

In order to enable an informed response, an information pack was produced which outlined the scheme proposals, and this was published online, along with a ‘fly-by’ video showing what the scheme might look like once completed.

Four live exhibition events took place on 5, 15 and 23 June and 11 July 2023, offering members of the public and stakeholders an opportunity to find out more about the scheme and ask questions of County Council officers. Two online question and answer sessions were also held on 23 June and 6 July.

The views expressed in this report include responses to an open feedback form, which was available (online and in other formats) to anyone to complete, from Monday 5 June to Sunday 16 July. There were no quotas or sampling targets, in keeping with the spirit of open engagement. All questions in the feedback form were optional, and the base therefore changes throughout the report. This is noted on each chart.

Note: Where percentages do not total to 100%, this is due to rounding.

Summary of engagement activities



Four in-person engagement events were held within the Waterside area. The approximate number of attendees for each of the venues were:

- Totton (Hanger Farm Arts Centre) 400;
- Marchwood (Village Hall) 300;
- Hythe (St Anne's Neighbourhood Centre) 200; and
- Fawley (Jubilee Hall) 85.



Two online Q&A sessions were held, providing an opportunity for those that couldn't attend the in-person events to hear about the scheme and ask questions. Seven people logged on to these sessions.



505 online and paper surveys were completed.

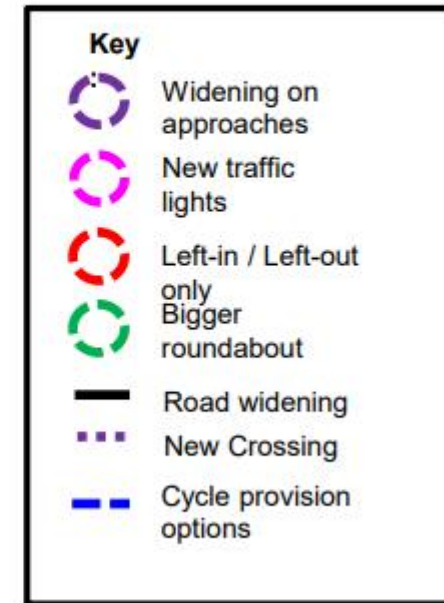
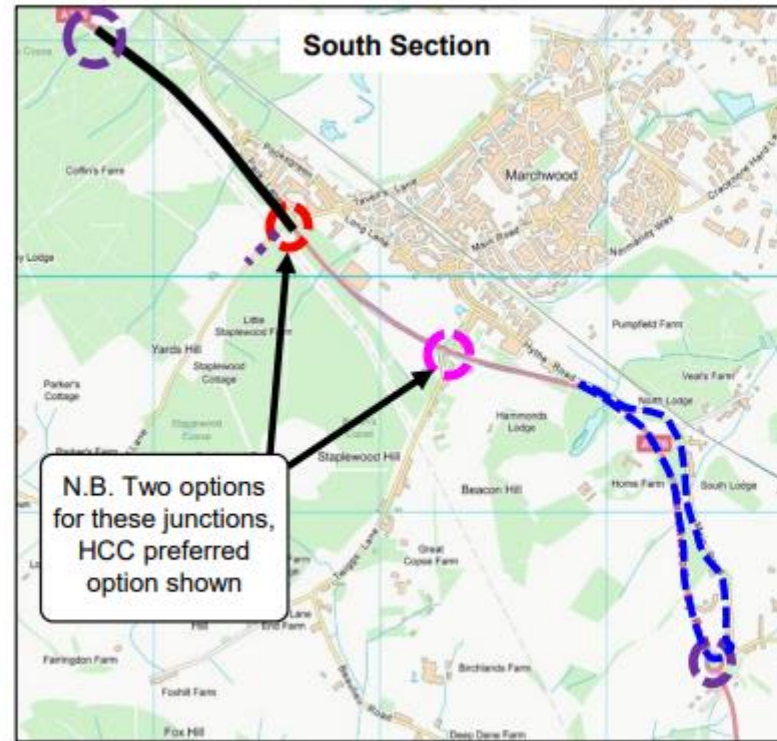
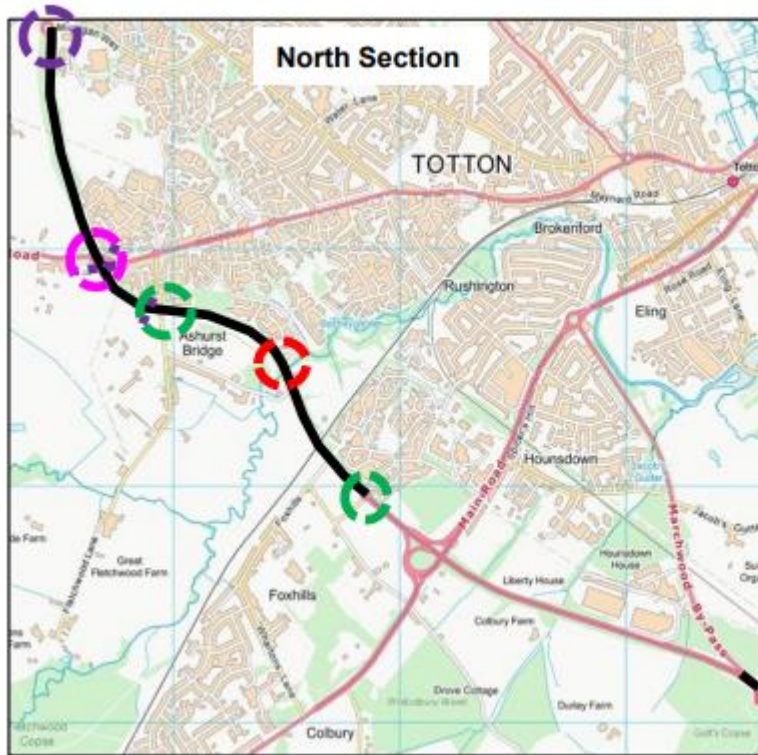


19 emails were received, 13 from individuals and six from organisations.

Five comments were made on Instagram.

173 comments were made on Facebook.

Preferred Scheme Overview

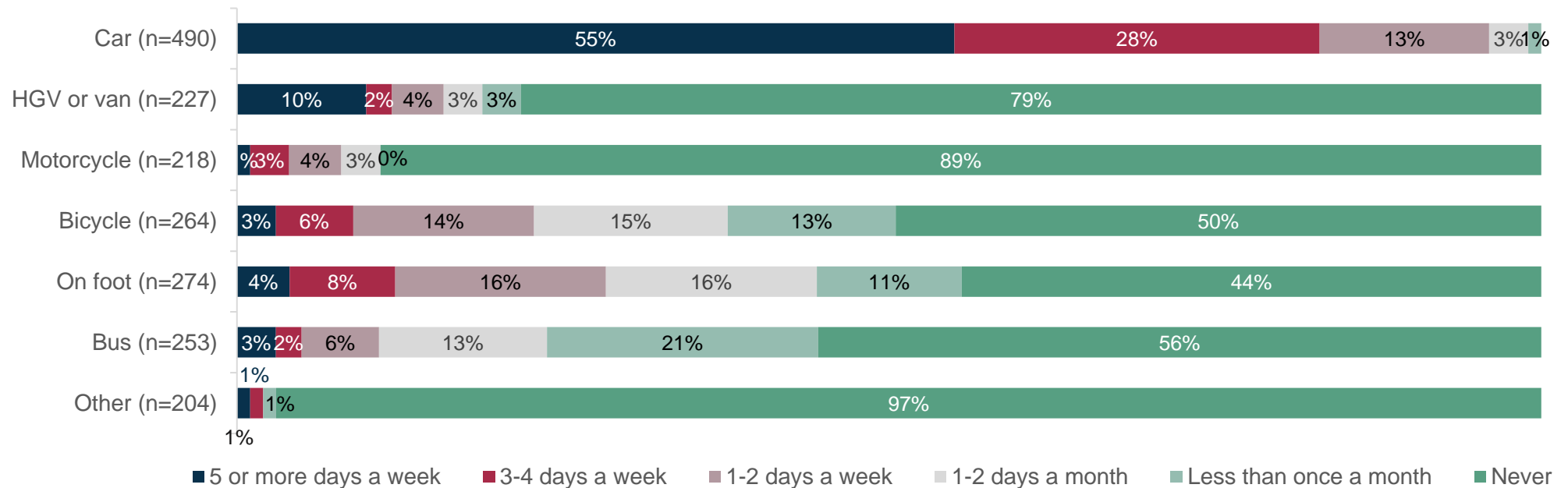


Detailed findings

Travel habits (1)

Most respondents reported travelling along and across the A326 by car, with over three quarters doing this 3-4 days a week or more (83%). Over a quarter of those people who reported walking do so 1-2 days a week or more (28%). Nearly a quarter of respondents who reported travelling by bike said they cycle 1-2 days a week or more (23%).

Frequency of travel by mode of transport



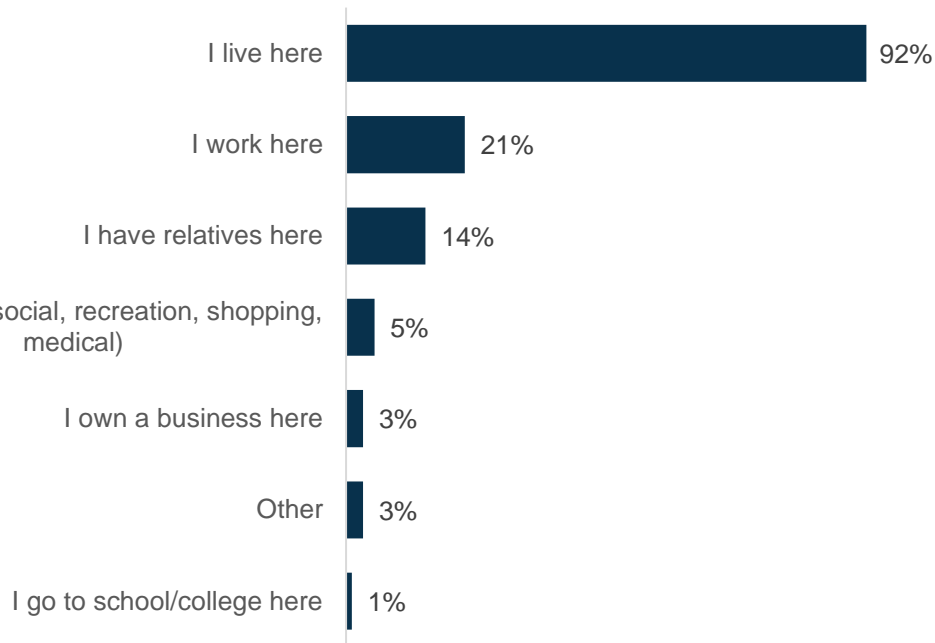
How often do you typically travel along and across the A326 by the following methods of transport?

Travel habits (2)

Over two thirds of respondents were connected to the Waterside area because they live there (92%). The most common times for journeys along the A326 were at 'weekends anytime' (21%), followed by weekday commuting times, 7am - 9am (18%) and 4.30pm - 6.30pm (16%).

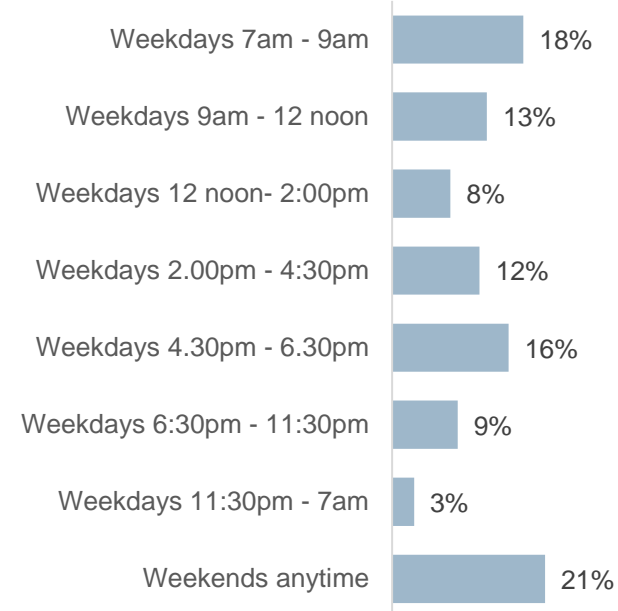
Connection with area (n=502)

Page 35



What is your connection with the Waterside area? [Multi-code]

Journey times in the area (n=1692)

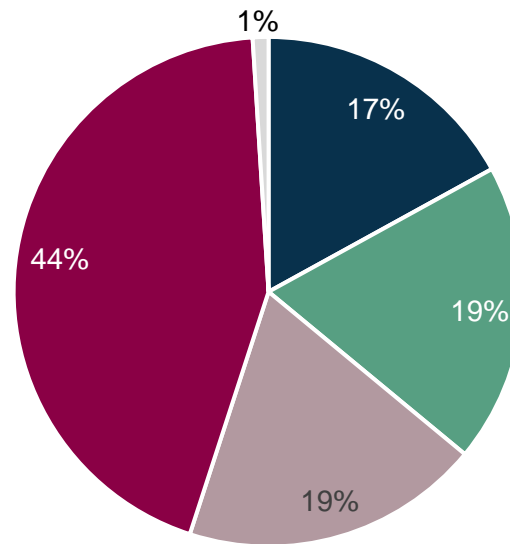


When do you typically travel on this stretch of road? [Multi-code]

Views on the environment (1)

Almost two thirds of the respondents felt concerned about the potential environmental impact of the scheme (44% very concerned and 19% fairly concerned). Nearly one fifth of respondents (17%) were not at all concerned about the scheme's environmental impact.

Concerns about environmental impact
(n=489)



■ Not at all concerned ■ Slightly concerned ■ Fairly concerned ■ Very concerned ■ Not sure

How concerned are you about the potential environmental impact of the scheme?

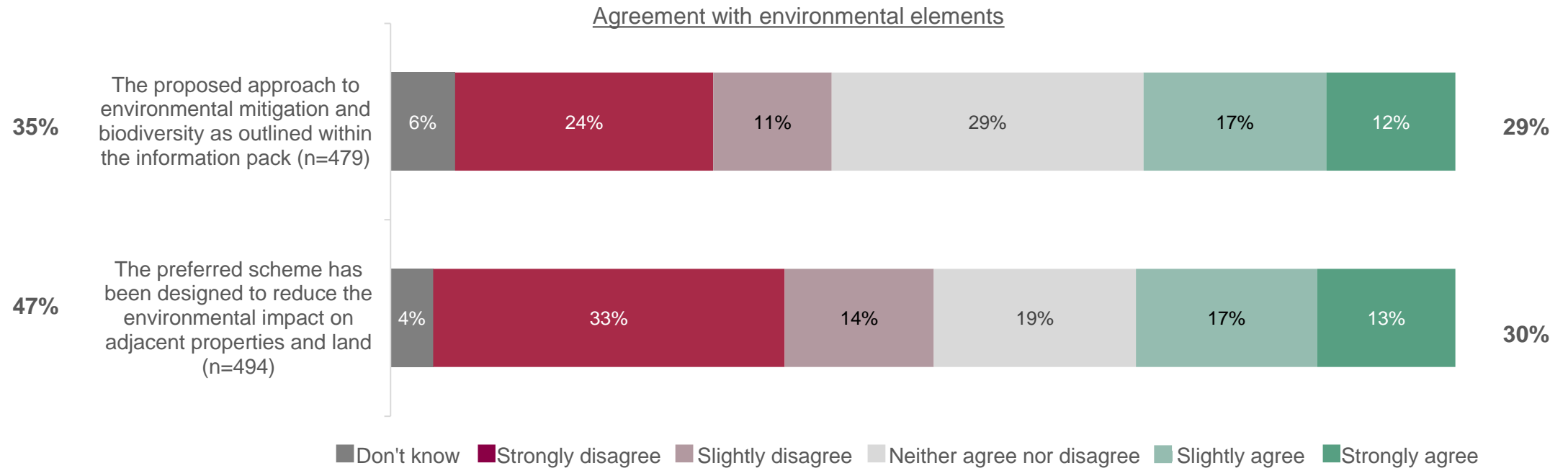
Views on the environment (2)

Over a third (35%) of respondents disagreed with the proposed approach to environmental mitigation and biodiversity proposed for the scheme and almost half (47%) strongly disagreed that the scheme had been designed to reduce the environmental impact on adjacent properties and land.

Page 37

Disagree

Agree



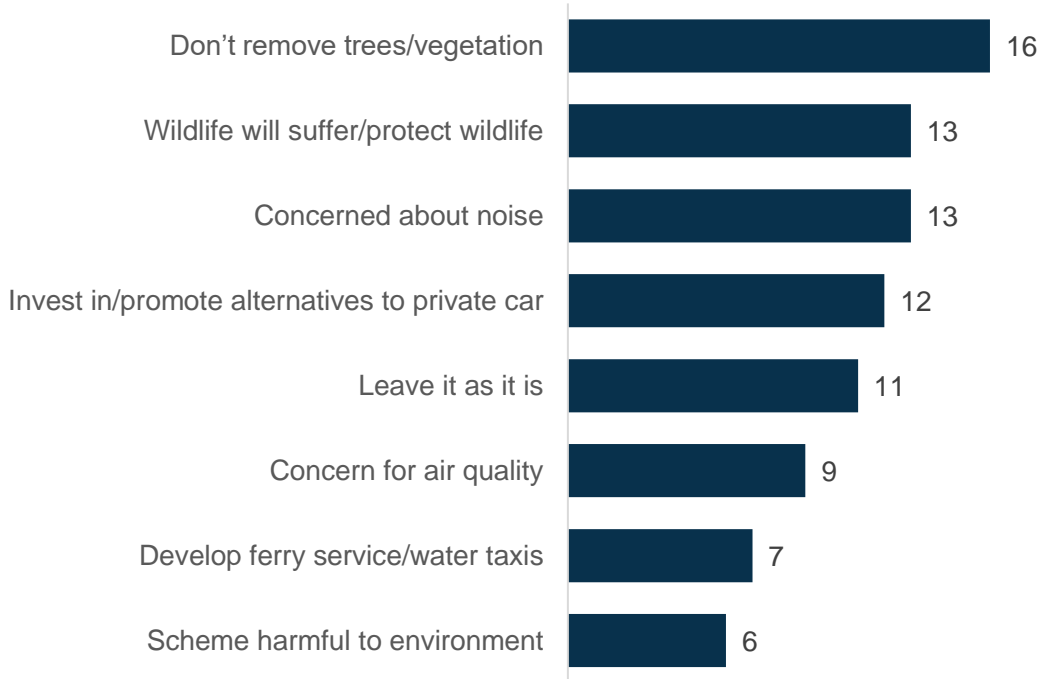
To what extent do you agree or disagree with the following environmental elements of the scheme?

Environmental comments

When asked what additional environmental actions should be taken, the most frequent comment related to not wanting trees or vegetation to be removed. Other comments included protecting wildlife, concerns about pollution and wanting to see alternatives to private car use.

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Comments about the environment (n=172)



"The amount of trees and hedges being removed and the loss of habitat. This should not be allowed" (Male car driver and cyclist aged 45-54)

"I know how much the trees contribute to reducing the noise and pollution from the road. As you will be removing the trees to build the embankment this is going to cause detriment to our home and health" (Female who travels by car, bike, bus and on foot aged 35-44)

"Consider enhanced public transport particularly using the water which surrounds us for a new sustainable form of transportation. Provide boat stops where parking is available and make travel into the city cheaper and more convenient using alternative modes of than taking the car into the city. Plough funds into this and revived rail link" (Female who travels by car, bike and on foot aged 65-74)

"The environmental impact can be reduced to zero by not carrying it out at all. There will be a negative impact on the wildlife, trees and vegetation as a result of the construction - both during and after. The subsequent additional traffic will result in air and noise pollution" (Female car driver aged 55-64)

What else should we be doing to improve the environment of the scheme or mitigate the schemes impact?

Top 8 most frequent comments shown

Design priorities (1)

Improving traffic flow was ranked as the most important priority. Improving crossings for people walking, cycling and horse riding was voted the second most important priority. The least important priority for respondents was improving biodiversity through comprehensive environmental mitigation and enhancement works.



Improve traffic flow for vehicles to reduce queuing and delays



Improve crossings of the A326 for people walking and cycling



Improve facilities for walking, cycling and horse riding on adjacent roads



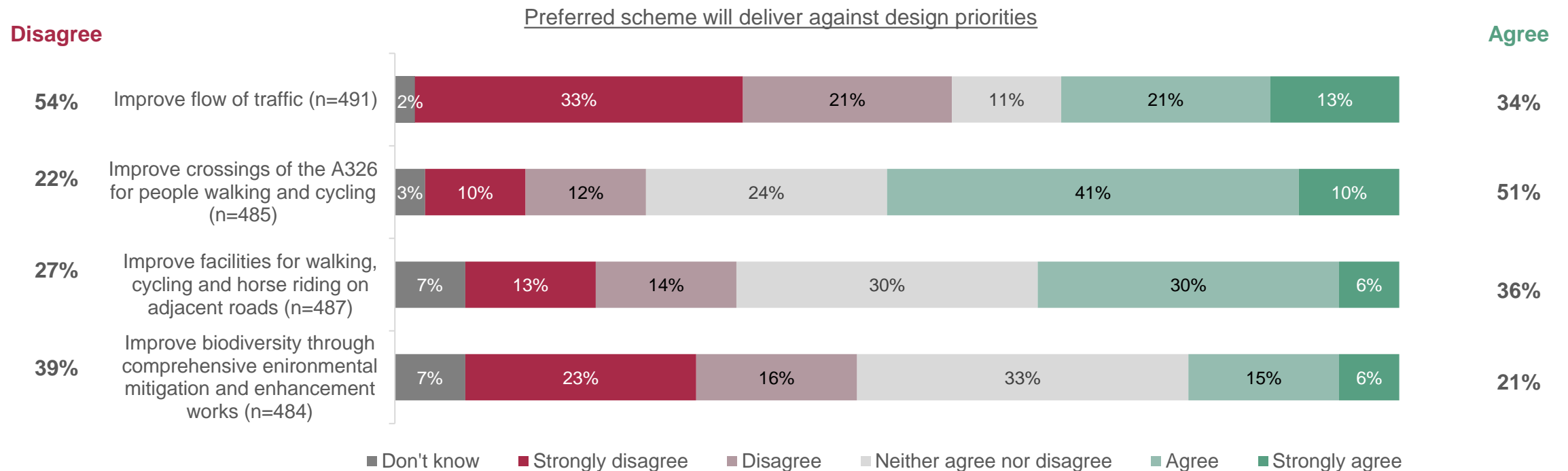
Improve biodiversity through comprehensive environmental mitigation and enhancement works

Please rank the design priorities in order of importance (n=490).

Design priorities (2)

Although deemed the most important priority, more than half of respondents (54%) disagreed that the scheme would deliver an improvement in traffic flow. Just over half (51%) agreed that the scheme would deliver improved crossings for people who walk or cycling, which was voted the second most important priority.

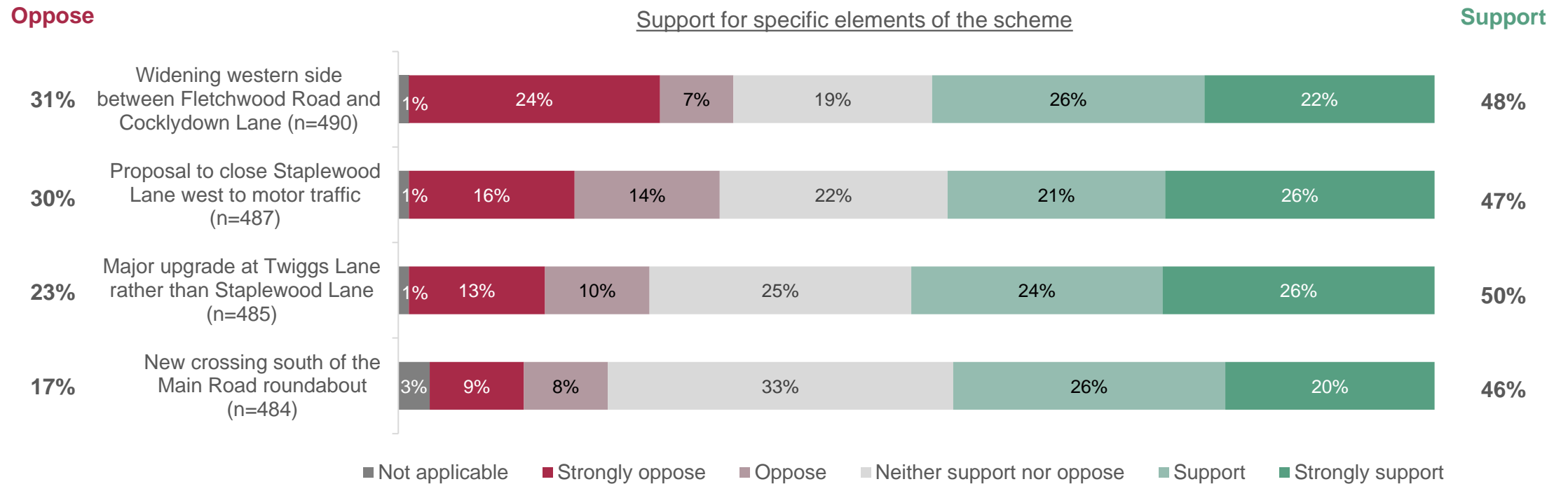
Page 40



To what extent do you agree or disagree that the preferred scheme will deliver against the design priorities?

Scheme specific elements

Overall, there was more support than opposition for each of the design elements. Around half of the respondents agreed with each proposal. The proposal with the greatest opposition was the narrowing of the western side of the A326, between Fletchwood Lane and Cocklydown Lane, with 31% of respondents opposing this.

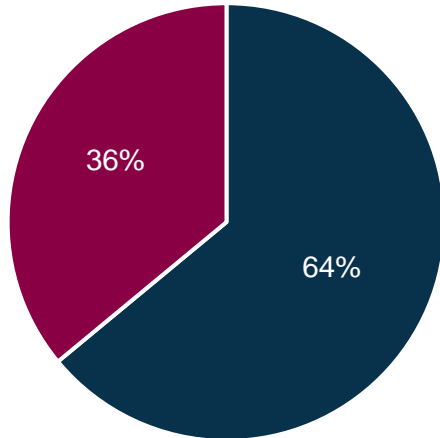


To what extent do you support or oppose the following elements of the scheme: (list)

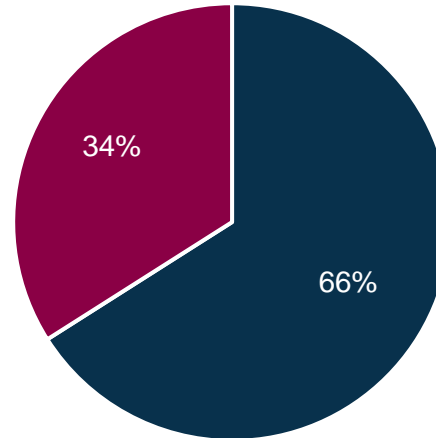
Cycling options for Marchwood to Dibden (1)

The majority of respondents (64%) preferred the option of the off-road cycling route directly alongside the A326. Looking at the preferred option amongst **all** those people who currently cycle and those who **frequently*** cycle this sentiment was echoed.

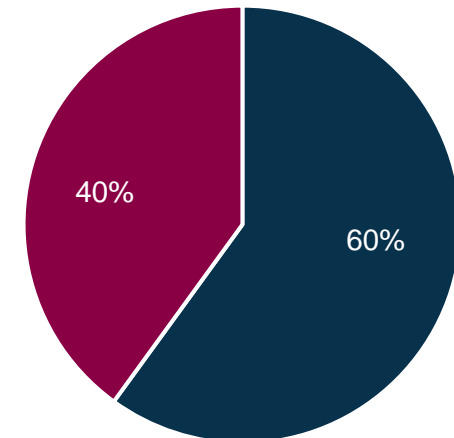
Support for different types of cycling facilities – all respondents (n=458)



Support for different types of cycling facilities amongst all those who cycle (n=244)



Support for different types of cycling facilities amongst those who frequently* cycle (n=58)



- Off-road cycling route directly adjacent to the A326
- On-road route along Hythe Road

* Frequently = once a week or more

There are two cycle route options, an on-road facility for people cycling along Hythe Road (preferred by the County Council) or an off-road route directly adjacent to the A326, which would require the removal of existing vegetation and trees along this route. Which option do you prefer?

Cycling options for Marchwood to Dibden (2)

People that preferred the on-road route were asked to rank four options for improving the on-road route along Hythe Road. Adding traffic calming was the most popular, and closing the road to through-vehicles was the least popular.



Option D
Traffic calming



Option C
Remove centre line and add
advisory cycle lane



Option B
Change to one-way



Option A
Close road to through
vehicles

Rank the four options for the Hythe Road on-road cycle provision in order of preference (n=153).

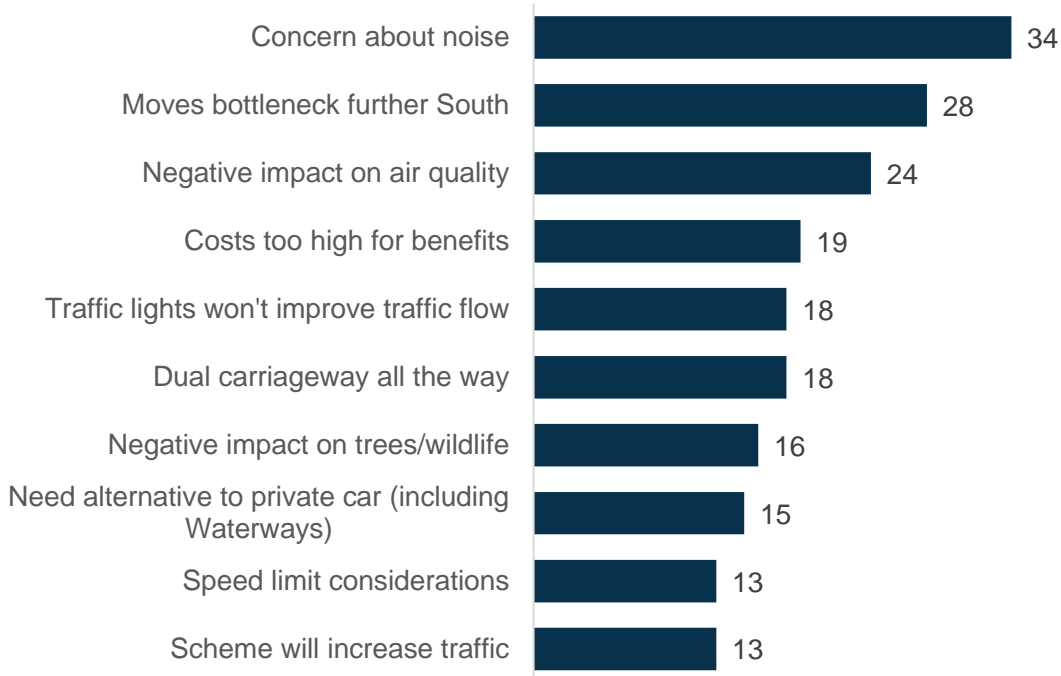
Unstructured comments

Further comments

Concerns about noise and air quality were amongst the most frequent comments made, along with people stating the scheme would move the bottleneck further south.

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Further comments (n=285)



"Noise is a major concern for residents adjacent to the proposed A326 dual carriageway - the existing single carriageway is extremely noisy" (Male car driver aged 65-74)

"The A326 problems only occur because of the bottle necks. The plan just moves the bottle neck further south. It's a waste of money" (Male car driver aged 35-44)

"The associated costs are astronomical compared to the benefits. Life for local residents will be a total misery for 2 years if this is constructed. There is no mention of compensation for residents, especially for the potential reduction in property values the scheme will cause. BNG is far too intangible" (Male car driver aged 45-54)

"The use of many sets of traffic lights means that the traffic flow won't be improved. Local traffic will just use the forest roads instead which is what I will do" (Female car driver 45-54)

Top 10 most frequent comments shown

If you have any further comments about specific parts of the scheme that haven't been addressed by any of the previous questions, please add below.

Free text survey questions

There were opportunities for respondents to add free text responses on the following issues:

- how the scheme would impact their business (if they had previously stated they had a business in the Waterside area);
- locations where more could be done to improve facilities for people traveling on foot, bike or horse;
- missed opportunities, particularly in terms of facilities for walking, cycling and horse riding on adjacent roads; and
- alternative cycling route options.

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Whilst a large number of respondents provided their views and comments on these matters, there was no overall consensus on any issue as the comments were many and varied. Therefore, no charts have been presented on these issues in this report. All the comments made on these topics have been forwarded to the project team for consideration.

Comments received by email (1)

In addition to responding to the survey, people could send an email with any comments or queries they had about the scheme. 19 emails were received, 13 from individuals and six from organisations. The comments received have been grouped into themes and these are shown over the next four slides.

Ensuring traffic uses the A326

- Respondents felt that the scheme risks creating rat runs which need to be made unattractive, possibly with the use of traffic calming (especially during the construction phase of the scheme). They felt there was a lack of evidence to show if and how the scheme will reduce traffic through the New Forest National Park (NFNP) and concerns that the scheme will increase traffic on adjacent roads.
- One comment called for the consideration of alternative junction options that are less likely to result in traffic using parallel roads to the West (such as a new junction between the A326 and a position between the Pilgrim Inn and the access to the Priory Hospital). It was also thought that making Trotts Lane a 'green lane' alongside the restriction of motorised traffic on Main Road could prevent general traffic using this route instead of the A326.

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Respondents felt there were lots of documents relating to the area that need to be joined up, not stand alone. It was felt the scheme does not align with the LTP4 vision and contradicts the Government and Hampshire County Council climate crisis solutions, such as green economy and green transport. The New Highway Code 2022 Hierarchy of Road users should be considered with the needs of those travelling on foot coming first and those travelling on bike second.

A few respondents perceived that the scheme would not improve congestion, as traffic lights would cause bottlenecks and increase journey times. Respondents gave contradicting comments relating to the dualling of the carriageway; one comment called for the whole route to be dual carriageway, and another asked for serious consideration of the lower-cost scheme option (with no widening).

Respondents felt that alternative transport options were needed, with a suggestion that these should be implemented first to avoid reliance on the car increasing. However, a contrary view on this was that the scheme route expansion will encourage active travel, improve connectivity and could allow for future ferry route expansion. There was also a call to review the buses and the bus strategy.

Comments received by email (2)

Environmental concerns were noted in many comments and are summarised below:

Legislation

- Respondents felt that the environmental assessment does not fully acknowledge the National Park (NP) and will have a negative impact on Natura 2000 qualifying features. It was thought that there is an emphasis on trees, ignoring other special qualities of the NP and the value of grassland habitats and common land for grazing.
- One response remarked that the scheme constitutes a 'major development' and therefore needs to be set against the National Planning Policy Framework major development tests. For such schemes to go ahead in the NP the environmental enhancement to offset the loss of landscape must be central to the plans. Other respondents asked for clarity on how biodiversity net gain will be achieved and stated it needs to go beyond the statutory 10% to reflect the special context of the NP.

A respondent wanted to understand who would own, and therefore have responsibility for maintaining, the land between the road infrastructure and residential properties.

There were concerns amongst respondents about noise pollution and a call for more dialogue with residents and a request for compensation to be considered.

Protecting flora and fauna

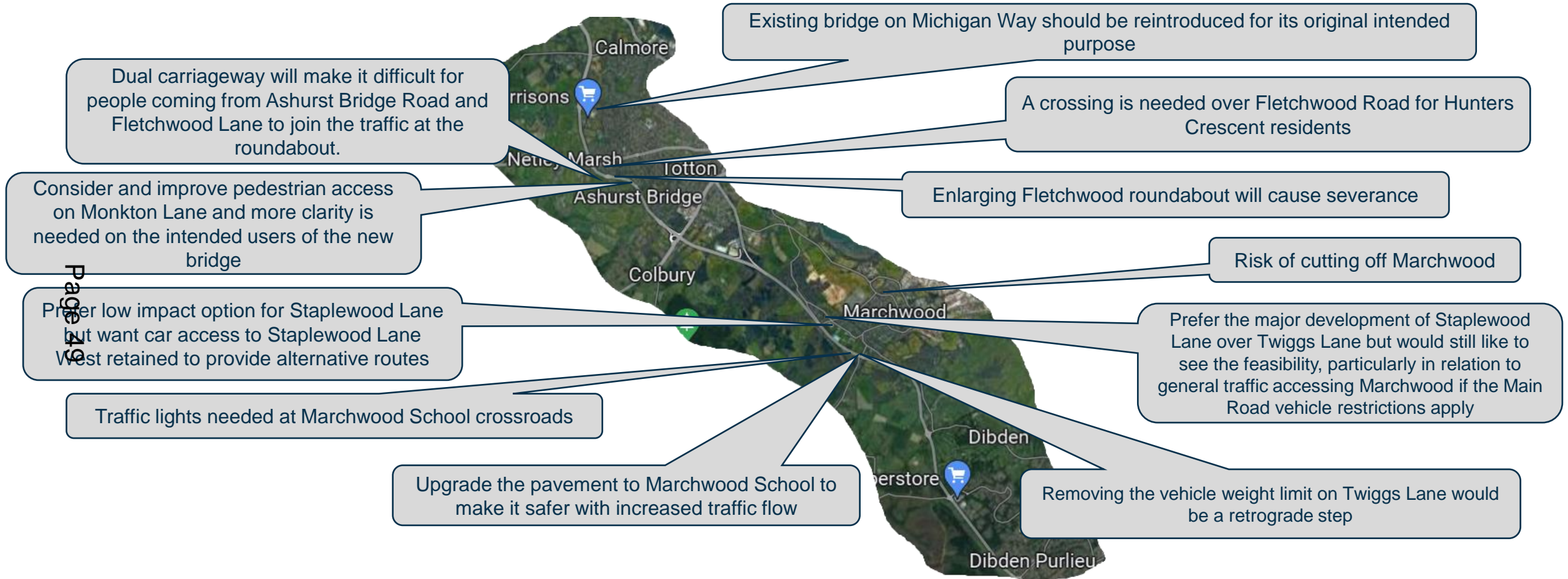
- A respondent suggested providing wildlife road crossings (e.g. underpasses) to protect the wildlife.
- Respondents had concerns for damage caused to sensitive locations, particularly during the construction phase.

Protecting the National Park (NP)

- One respondent felt that the scheme will create a gateway to the NP, putting pressure on the landscape and there is a need to divert excessive recreational pressure away from the NP.
- A respondent suggested maintaining the tranquillity of the New Forest through the consideration of lighting and road surfaces. There were concerns amongst respondents about noise and pollution and the effectiveness of trees versus sound proofing fences.

Comments received by email (3)

There were also comments about some specific locations along the scheme:



Comments received by email (4)

General comments about the whole scheme are given below:

Acknowledgement that the scheme proposal was in its early stages and a request for additional information about congestion impact, road safety, ecology, biodiversity, environmental health, climate change and sustainability as the scheme progresses.

There was concern for buses moving across fast lanes.

It was thought to be an unrealistic notion that the scheme would provide opportunities to open other routes, such as commuter routes to Salisbury.

A suggestion that if there are cost constraints, Michigan Way to Ringwood Road could be left as a single carriageway.

Requests for traffic calming on all roundabout approaches.

Some respondents felt that the real reason for the scheme was to support the industrial development of Marchwood and Dibden Bay, not to benefit residents.

There were concerns that the scheme would lead to further development of the Waterside Area (and this was deemed negative).

Questions and comments from online Q&A sessions

Two online Q&A sessions were held to give people that couldn't attend the in-person events an opportunity to see the scheme proposal, ask questions and give their views. Seven people attended these sessions.

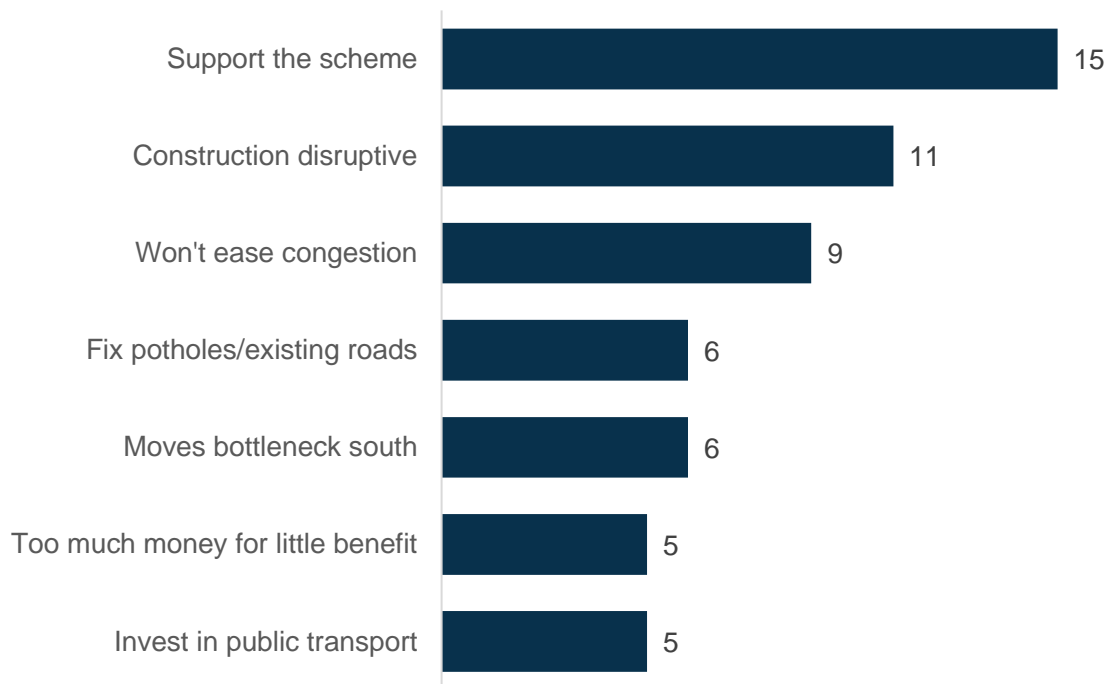
Areas of discussion included:

- cycle access around the BP Solent Gateway access road;
- vehicle access to Arters Lawn if Staplewood Lane is closed to vehicles;
- environmental impacts on the National Park and biodiversity net gain ambitions;
- ancient tree removal;
- concerns about pollution from cars merging into single carriageway near Staplewood Lane;
- impact on Marchwood village if northbound right turn into Staplewood Lane restricted;
- needs of residents versus the environment and National Park, widen roads away from housing;
- noise and air pollution assessment;
- road widening encroaching residential properties near Goodies roundabout; and
- LTN1/20 Cycle Infrastructure Design Guidance.

Comments received via social media

There were 173 Facebook comments and five Instagram comments about the scheme. Most frequently, comments were in favour of the scheme, followed by concern about the disruption caused by roadworks.

Facebook and Instagram comments (n=178)



"I fully support this"

"Anything that eases the congestion on the A326 gets my vote, this is long overdue, the pollution is less from moving traffic than slow moving or stationery traffic surely. I wish they'd do the entire Marchwood Bypass."

"I really don't think anyone has considered the disruption this will have to their travel. Temporary traffic lights everywhere"

"...widening certain sections will just move traffic to the parts that haven't been widened!! You'll still get the same traffic at all the roundabouts as normal, no matter how wide you make it!! Even worse with more pedestrian and cycle crossing points!!"

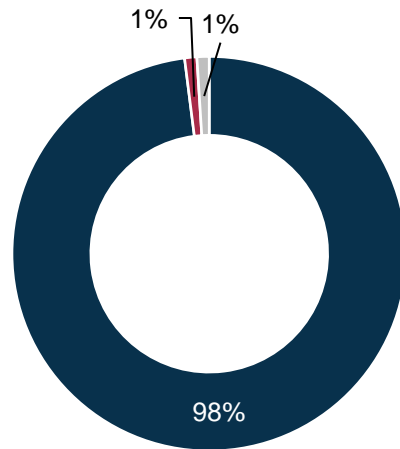
Top 7 most frequent comments shown

Respondent profile

Respondent profile (1)

Most responses were personal, however six people responded to the survey on behalf of organisations, groups or businesses and four were democratically elected representatives. The majority of respondents (84%) lived within the Waterside area.

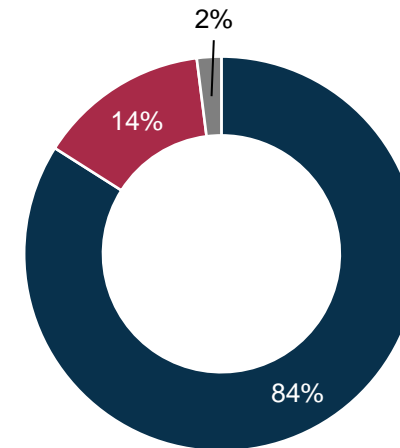
Type of respondent (n=499)



- Personal
- Organisation, group or business
- Democratically Elected Representative

Is this a personal response or are you responding on behalf of an organisation or group that you represent?

Residence (n=477)



- In the Waterside area
- Outside the Waterside area
- Prefer not to say

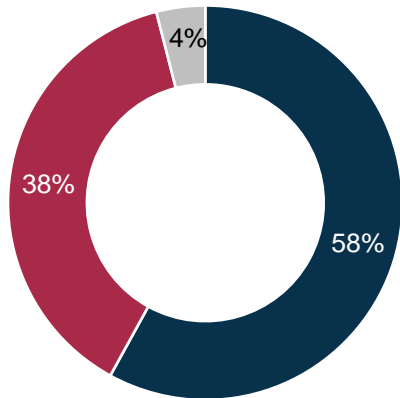
Where do you live?

Respondent profile (2)

Most respondents were male (58%) and 38% were female. Respondents were aged 25-85+ with nearly a quarter (24%) being aged 55-64. The majority of respondents (73%) reported not to have any physical or mental health condition.

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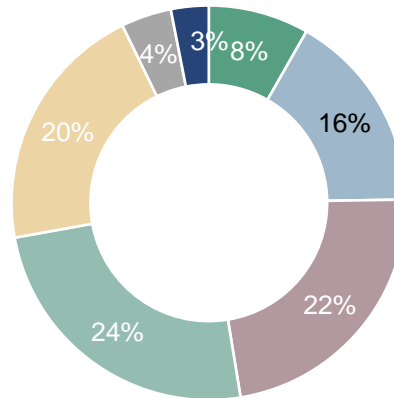
Gender (n=471)



■ Male ■ Female ■ Prefer not to say

Which of the following best describes your gender?

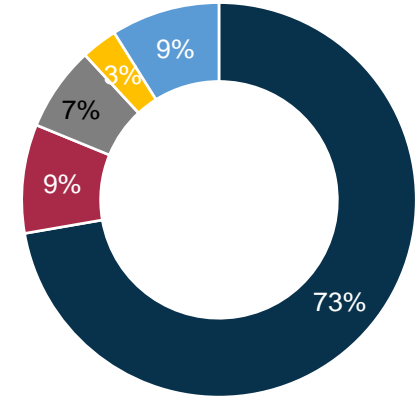
Age (n=475)



■ 25-34 ■ 35-44 ■ 45-54 ■ 55-64
 ■ 65-74 ■ 75-84 ■ 85+

What is your age?

Health or disability (n=483)



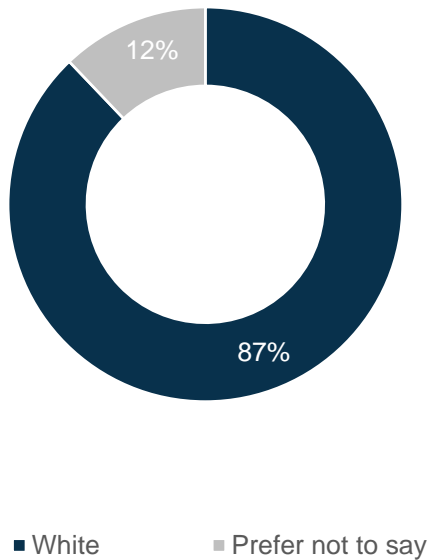
■ No
 ■ Yes, but they do not reduce my day-to-day activities
 ■ Yes, and they reduce my day-to-day activities a little
 ■ Yes, and they reduce my day-to-day activities a lot
 ■ Prefer not to say

Do you have any physical or mental health conditions or illnesses lasting, or expected to last, 12 months or more?

Respondent profile (3)

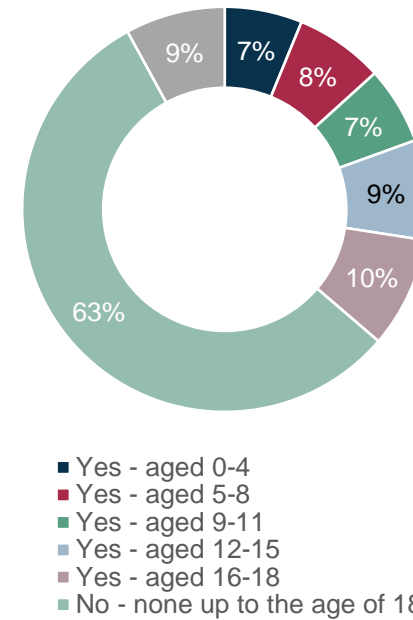
Most respondents described their ethnicity as white (87%), the rest preferring not to say. Nearly two thirds of the respondents (63%) did not have any children or young people living in their household.

Ethnicity (n=481)



What is your ethnic group?

Children living at home (n=532)



Are there any children or young people up to the age of 18 living in your household?



Hampshire
County Council

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Hampshire 2050 and Corporate Services
Date:	22 January 2024
Title:	2024/25 Revenue Budget & Capital Programme Report for Hampshire 2050
Report From:	Director of Hampshire 2050

Contact name: Gary Westbrook
Sarah Magness

Email: Gary.westbrook@hants.gov.uk
Sarah.Magness@hants.gov.uk

Section A: Purpose of this Report

1. The purpose of this report is to set out proposals for the 2024/25 revenue and capital budget for Hampshire 2050 in accordance with the Council's Medium Term Financial Strategy (MTFS) approved by the County Council in November 2023. It also proposes a revised budget for Hampshire 2050 for 2023/24.

Section B: Recommendation(s)

To approve for submission to the Leader and the Cabinet:

2. The revised revenue budget for 2023/24 as set out in Appendix 1.
3. The summary revenue budget for 2024/25 as set out in Appendix 2
4. The summary capital budget for 2023/24 and 2024/25 as set out in Appendix 3.

Section C: Executive Summary

5. This report provides the summary outputs of the detailed budget planning process undertaken by Hampshire 2050 for 2024/25 and the revised budget for 2023/24. This process has been undertaken against the backdrop of a budget gap of £132m by 2025/26, which the Council is unable to close through savings alone, and escalating cost pressures within key demand led services, including Adult Social Care and School Transport. Over £130m of inflation, pressures and growth has been added to budgets since 2023/24, significantly exceeding increases in the Council's funding. The current high inflationary environment

also continues to present particular challenges in balancing budget certainty for Directorates with levels of affordability for the Council.

6. Disappointingly, the Autumn Statement delivered by the chancellor on 22 November didn't include any additional financial measures to ease the pressures facing local authorities. The announcement of a higher National Living Wage for 2024/25 than had previously been forecast is likely to result in additional financial pressures for the Council, both through increasing costs for our service providers and also impacting future local government pay awards. It was also notable that the tightening of medium-term spending limits set by the government suggests a worrying direction of travel for future funding settlements.
7. The anticipated delay to delivery of some aspects of the remaining Transformation to 2021 (Tt2021) programme and Savings Programme to 2023 (SP2023) have been factored into our financial planning, and one-off Directorate funding will be provided where required to bridge the forecast savings gap in 2024/25. As of September 2023, £10.2m of Tt2021 savings and £11.4m SP2023 savings have yet to be delivered across the Council. Plans are in place to deliver most of the remaining Tt2021 and SP2023 savings by 2024/25, however this presents a considerable challenge for directorates in addition to the £17.1m SP2025 savings due to be delivered next year. All savings relating to the H2050 directorate have been delivered.
8. The report also provides an update on the business-as-usual financial position for the current year as at the end of September and the outturn forecast for the Directorate for 2023/24, is a budget saving of £0.7m. The revised budget for 2023/24 is shown in Appendix 1.
9. The proposed revenue budget for 2024/25 analysed by service is shown in Appendix 2 and the proposed capital programme for 2024/25 is shown in Appendix 3.
10. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2023/24, the detailed service budgets for 2024/25 and the capital programme for 2024/25 for Hampshire 2050. The report has been prepared in consultation with the Leader and Executive Member and will be reviewed by the Hampshire 2050, Corporate Services and Resources Select Committee. It will be reported to the Leader and Cabinet on 6 February 2024 to make final recommendations to County Council on 22 February 2024.

Section D: Contextual Information

11. In November 2023, Full Council approved the Medium Term Financial Strategy and Savings Programme to 2025 (SP2025) which set out the scale of the financial challenges which the Council currently faces and the proposed measures which will begin to address the budget gap of £132m to 2025/26. However, for the first time the Council finds itself in the position of being unable to close the budget gap through savings proposals alone, with a substantial

recurring shortfall of £41.6m remaining from 2025/26 after accounting for SP2025 savings.

12. As reported to Cabinet in December, the cost pressures facing the County Council have worsened further since the MTFs was set, most notably within Adult Social Care, Special Educational Needs and School Transport. Where the impact of these pressures is known, additional funding has been included in the provisional cash limits and allocated to services as part of the detailed budget setting process undertaken by directorates.
13. The provisional cash limits for 2024/25 include over £130m of inflation, pressures and growth added to budgets since 2023/24. This represents an average increase in directorate cash limits of over 12% in a single year, which is clearly an unsustainable position when set against a maximum increase in Council tax of 5%. It is therefore not surprising that the Council expects to draw some £86m from reserves to balance the budget for the forthcoming year.
14. Setting a budget in a high inflationary environment presents particular challenges in balancing budget certainty for Directorates with levels of affordability for the Council, given the potential for the position to worsen or improve substantially throughout the year in line with changes in the economic picture. The budget for Hampshire 2050 therefore represents a prudent assessment of the funding level required to deliver services, with additional corporately held risk contingencies playing an important role to mitigate the impact of financial uncertainty on service delivery.
15. The Council's approach to planning and delivering savings over a two year period means that the 2024/25 cash limits do not include any new savings proposals. However, given that the balance of the Budget Bridging Reserve will be fully utilised in 2024/25, all SP2025 savings delivered in the forthcoming year will be transferred to the BBR at the end of the financial year.

Autumn Statement

16. The Government announced the 2023 Autumn Statement on 22 November. Disappointingly, the Statement didn't include any additional financial measures to ease the pressures facing local authorities, despite strong lobbying from the sector in the period leading up to the Statement, which attracted widespread press coverage.
17. Of particular significance for Local Government was the announcement of a 9.8% increase in the National Living Wage for 2024/25 to £11.44 per hour. This significantly exceeds the previous central estimate of £11.16 published by the Low Pay Commission in May on which the current MTFs forecasts are based. This increase is likely to result in additional financial pressures for the Council, both through increasing costs for our service providers and also impacting future local government pay awards.

18. The Economic and Fiscal Outlook published by the Office for Budgetary Responsibility alongside the Statement showed that Local Authority spending has fallen from 7.4% of GDP to just 5% since 2010/11 and the Government's current spending plans suggest that spending outside the NHS will fall further in real terms over the next five years. This sets a worrying backdrop for the medium term outlook for local government finance and suggests that there is unlikely to be sufficient scope to address the funding shortfalls faced by Councils within the government's current spending plans.

Operating model changes

19. The Council transitioned to a new operating model in January 2023 which established new directorates for the delivery of place shaping services and our Hampshire 2050 vision. When the 2023/24 budget was set, it was highlighted that further changes to budgets would be required to ensure budget allocations accurately match the services and roles aligned to each Directorate. The 2023/24 original budget has therefore been restated to reflect the detailed work undertaken on the later phases of the restructure since the budget was set in February 2023.
20. In addition to the early delivery of some SP2025 savings, the Fit for The Future operating model reviews will continue to be progressed and will ensure that the Council's corporate enabling functions, transformation and administrative activity are delivered as efficiently as possible, and that our contact model takes full advantage of new technologies and the changing ways in which residents interact with the Council. It is anticipated that these reviews will identify some further efficiency savings, however these will not be sufficient to bridge the remaining budget gap.
21. Hampshire 2050 has been developing its service plans and budgets for 2024/25 and future years in keeping with the County Council's priorities and the key issues, challenges and priorities for the Directorate are set out below.

Section E: Directorate Challenges and Priorities

22. The Hampshire 2050 Directorate is now well established in the organisation following the organisational redesign and restructure completed in January 2023. The budget set in 2023/24 included the removal of SP23 savings following the integration of budgets and services from previous Departments.
23. The Directorate comprises the organisation's key place shaping functions, aligned to the Hampshire 2050 vision that was revalidated by Cabinet and Full Council in 2023. It works at the centre of the organisation drawing teams and partners together to set the strategic direction for Hampshire as a place, enabling the County Council's operational service delivery and the development the future environment, infrastructure, skills and opportunities for residents and communities for many years to come.

24. The Directorate is comprised of three core areas:

- **Land and Assets** – the strategic one-organisation oversight of the County Council’s land and assets portfolio including schools, the corporate estate and the County Council’s strategic land holdings. Key priorities include unlocking commercial development of land at Manydown located west of Basingstoke, as well as strategic implementation the County Council’s Strategic Asset Management Plan (SAMP) including the core Winchester office estate and the wider portfolio of County Council area offices and buildings.
- **Culture, Communities and Strategic Programmes** – oversight of the County Council’s strategic, cultural and community offer including grants to community and charitable organisations. Key priority programmes include the progression of the Hampshire 2050 vision and partnership following the 2050 Summit held in November 2023, the governance and oversight of the Climate Change Strategy and strategic framework, the on-going relationship with Hampshire Cultural Trust (HCT), as well as developing and articulating the County Council’s role in the digital future for Hampshire which will be reported to Cabinet in February 2024.
- **Skills, Economy and Strategic Planning** – oversight of the County Council’s strategic role and ambition to drive economic growth and prosperity alongside the development of integrated transport strategy, infrastructure and statutory planning responsibilities. Key priorities include the new responsibilities the County Council will have for economic development and growth from April 2024, following the Government decision to integrate Local Economic Partnerships (LEPs) into Upper Tier Councils. This will include new responsibilities for governing and overseeing strategic economic growth, skills, business relationships and the delivery of significant government programmes in the Hampshire County Council geographic footprint from April 2024. Key statutory priorities also include the finalisation and submission of the County Councils Minerals and Waste Plan, the implementation of Local Transport Plan 4 (LTP4) and the new responsibility to develop a Local Nature Recovery Strategy (LNRS) by December 2024.

Section F: 2023/24 Revenue Budget

25. Enhanced financial resilience reporting, which looks not only at the regular financial reporting but also at potential pressures in the system and the achievement of savings being delivered through transformation, has continued through periodic reports to the Corporate Management Team (CMT) and to Cabinet.

26. The anticipated business as usual outturn forecast for 2023/24 is a saving compared to budget of £0.7m.
27. The budget for Hampshire 2050 has been updated throughout the year and the revised budget is shown in Appendix 1. The revised budget shows an increase of £1.45m made up of:
 - £0.2m Local Nature Recovery Strategy grant funding.
 - £1.2m approved funding drawn from the Strategic Land Reserve.

Section G: 2024/25 Revenue Budget Pressures and Initiatives

28. Since the publication of the March 2022 Local Enterprise Partnership (LEP) integration guidance, government has supported the integration of LEP functions into democratic institutions sitting at Level 2 or 3 of the devolution framework. For Hampshire County Council there are two LEPs which will be integrated from the 1st April 2024, namely EM3 and Solent LEPs. The integration of staff, assets and liabilities into the relevant upper tier authority requires a process of dis-aggregation of LEP functions between upper tier authorities, unitaries and borough and district councils. For EM3 the partners for the purpose of staff integration are Hampshire and Surrey County Councils. Due to the limited information from government on funding streams for integrated LEPs there is a potential pressure linked to unfunded payroll costs.

Section H: Revenue Savings Proposals

29. The County Council's financial strategy is continuing with a two-year approach to planning for savings. Consequently, no new savings are proposed for 2024/25 and savings proposals for 2025/26 have been developed through the Savings Programme to 2025 and were approved by Executive Members in September 2023, and by Cabinet and County Council in October and November 2023. In recognition of the size of the financial challenge which the Council faces, directorates were not issued with savings targets as per previous savings programmes but were instead instructed to review what savings might be achievable if we were to move towards a 'legal minimum' provision of services.
30. The total Savings Programme to 2025 is insufficient to meet the forecast budget gap for 2025/26 and taking account of the planned timing of savings delivery, a significant budget gap of £56.9m remains for 2025/26. Given the shortfall within the Budget Bridging Reserve beyond 2024/25, SP2025 savings delivered in 2024/25 will be transferred to the BBR at the end of the financial year.
31. Since transfers to the BBR will reflect actual savings delivered, the 2024/25 cash limits have not been adjusted in line with planned savings. For Hampshire

2050 total savings for 2025/26 are £5m of which £0.6m are currently anticipated to be delivered during 2024/25.

32. Delivery of these savings presents a challenge for the directorate, particularly against a backdrop of continued high inflation. Rigorous monitoring of the implementation of the programme will begin during 2024/25, to ensure that the Directorate is able to deliver its SP2025 savings in line with planned timescales.
33. This early action in developing and implementing the Savings Programme to 2025 means that the County Council is in the best possible position for setting a balanced budget in 2024/25 and that no new savings proposals will be considered as part of the budget setting process for the forthcoming financial year.

Section I: Budget Summary 2024/25

34. The budget update report presented to Cabinet on 12 December 2023 included provisional cash limit guidelines for each Directorate. The cash limit for Hampshire 2050 in that report was £16m, a £0.1m increase on the previous year. The increase comprised:
 - (£0.2m) Adjustment to align with the Cabinet-approved Strategic Land budget for 24-25.
 - £0.3m increase in Business Rates following revaluation
35. Pay increases for FY24/25 are not yet included within the cash limit. These will be updated prior to February Cabinet.
36. Appendix 2 sets out a summary of the proposed budgets for the service activities provided by Hampshire 2050 for 2024/25 and show that these are within the cash limit set out above.
37. In addition to these cash limited items the overall Hampshire 2050 budget includes a £0.2m charge for Chichester Harbour Conservancy which is not counted against the cash limit as shown in the table below. This is a Trust which operates a statutory mandate linked with Chichester Harbour and the surrounding AONB.

	2024/25	
	£'000	£'000
Cash Limited Expenditure	26,533	
Less Income (Other than Government Grants)	(10,549)	
Net Cash Limited Expenditure		15,984
Chichester Harbour Conservancy		203
Less Government Grants:		
N/a		
Total Government Grants		0
Total Net Expenditure		16,187

Section J: Capital Programme

38. The County Council has maintained its capital programme throughout the period of austerity, doing so by making use of external sources to fund a significant proportion of expenditure, supplemented by the use of capital receipts and the County Council's own revenue resources. Approximately 80% of expenditure was externally funded in 2022/23 with the remaining c.20% funded by capital receipts (12.5%) and other local resources (7.3%).
39. Where expenditure is funded from local resources, this impacts the revenue budget in one of three ways:
- A reduction in existing reserves
 - Increased capital financing costs (e.g. interest and MRP) as a result of prudential borrowing
 - The need for direct contributions to schemes from the revenue budget.
40. Any impact on the revenue budget is considered as part of the Medium Term Financial Strategy (MTFS) and alongside the priorities within Serving Hampshire's Residents – Strategic Plan 2021 – 2025. Given the challenging financial position the County Council faces, any revenue contributions to capital schemes must balance recognition of the importance of capital investment with the need to review and challenge all revenue based expenditure as part of the overall MTFS.
41. The current MTFS assumes continuing revenue contributions to capital schemes throughout the forecast period. In order to allow the County Council time to continue to consider the evolving MTFS position, the capital cash limit guidelines approved by Cabinet in December 2023 only allocated the funding

from these revenue-based contributions to directorates for 2024/25, with the amounts for 2025/26 and 2026/27 to be held centrally pending further review.

42. The locally resourced cash limit guideline for Hampshire 2050 is £646,000 and is earmarked for advance and advantageous land purchase. Appendix 3 sets out the 2023/24 revised capital programme including brought forward allocations, and the proposed capital programme for 2024/25. The 2024/25 programme includes a technical accounting re-classification relating to potential loans to the Manydown development programme which were previously covered by the Treasury Management Strategy approved by the County Council and are now to be accounted for as part of the capital programme in accordance with best practice. Further information is provided in Appendix 4.
43. The County Council continues to maintain a significant capital programme, resulting in investment in assets to support and enable the provision of local services and delivering benefits to the local economy.

Section K: Climate Change Impact

44. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
45. This report deals with the revenue budget preparation for 2024/25 for the Hampshire 2050 Directorate. Climate change impact assessments for individual services and projects will be undertaken as part of the approval to spend process. There are no further climate change impacts as part of this report which is concerned with revenue budget preparation for 2024/25 for the H2050 Directorate.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes / No
People in Hampshire live safe, healthy and independent lives:	Yes / No
People in Hampshire enjoy a rich and diverse environment:	Yes / No
People in Hampshire enjoy being part of strong, inclusive communities:	Yes / No

Other Significant Links

Links to previous Member decisions:	
<p><u>Title</u> Savings Programme to 2025 – Revenue Savings Proposals (Executive Member for Hampshire 2050) https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=811&MId=10857&Ver=4</p>	<p><u>Date</u> 25 September 2023</p>
<p>Medium Term Financial Strategy Update and Savings Programme to 2025 Savings Proposals https://democracy.hants.gov.uk/mgAi.aspx?ID=63758#mgDocuments</p>	<p>Cabinet – 10 October 2023 / County Council – 9 November 2023</p>
<p>Budget Setting and Provisional Cash Limits 2024/25 Financial Update and Budget Setting and Provisional Cash Limits 2024/25 (hants.gov.uk)</p>	<p>Cabinet – 12 December 2023</p>
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>
<p>Section 100 D - Local Government Act 1972 - background documents</p> <p>The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)</p>	
<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

The budget setting process for 2024/25 does not contain any proposals for major service changes which may have an equalities impact. Proposals for budget and services changes which are part of the Savings Programme to 2025 Programme were considered in detail as part of the approval process undertaken in September, October and November 2023 and full details of the Equalities Impact Assessments relating to those changes can be found in Appendices 3 to 7 of the October Cabinet report linked below:

<https://democracy.hants.gov.uk/mgAi.aspx?ID=62985#mgDocuments>

For proposals where a Stage 2 consultation is required, the EIAs are preliminary and will be updated and developed following this further consultation when the impact of the proposals can be better understood. The results of these consultations and any changes to equality impacts will be reported to the relevant Executive Member as the savings proposals are further developed and implemented.

Budget Summary 2023/24 – Hampshire 2050

Service Activity	Original Budget 2023/24 £'000	Revised Budget 2023/24 £'000
Spatial Planning	1,390	1,597
Economic Development	1,047	1,047
Integrated Transport	866	866
Skills & Participation	198	176
Skills, Economy & Planning	3,501	3,686
Arts & Museums	2,795	3,005
CCBS Grants Fund	32	32
Leader's Grants	400	400
Members' Devolved Budgets	624	624
Sport	116	116
Rural Broadband	5	55
Climate Change & Environmental Strategy	689	689
H2050 Policy	68	68
Culture & Communities	4,729	4,989
Disposal of sites	243	243
Property Services	602	602
Strategic Land	1,996	3,204
Premises Mgmt	38	33
Strategic Development Team	121	121
Office Accommodation	4,223	4,240
Strategic Assets	7,223	8,443
H2050 Directorate	438	488
H2050 Cost of Change	0	(264)
Net Cash Limited Expenditure	15,891	17,342

Budget Summary 2024/25 – Hampshire 2050

Service Activity	Original Budget 2023/24 £'000	Proposed Budget 2024/25 £'000
Spatial Planning	1,390	1,374
Economic Development	1,047	1,046
Integrated Transport	866	873
Skills & Participation	198	208
Skills, Economy & Planning	3,501	3,501
Arts & Museums	2,795	2,795
CCBS Grants Fund	32	32
Leader's Grants	400	400
Members' Devolved Budgets	624	624
Sport	116	116
Rural Broadband	5	55
Climate Change & Environmental Strategy	689	689
H2050 Policy	68	68
Culture & Communities	4,729	4,779
Disposal of sites	243	250
Property Services	602	600
Strategic Land	1,996	1,782
Premises Management	38	29
Strategic Development Team	121	121
Office Accommodation	4,223	4,488
Strategic Assets	7,223	7,270
H2050 Directorate	438	434
Net Cash Limited Expenditure	15,891	15,984

Capital Programme 2023/24 and 2024/25

	Revised 2023/24 £'000	2024/25 £'000
Resources:		
Cash limit guideline	646	646
Carry forward from previous years	3,799	12,344
Technical accounting re-classification *	0	50,000
Total resources	4,445	62,990
Planned programme:		
Botley UDI	60	0
Strategic Land	0	10,000
Advanced & Advantageous Land	0	2,990
Investing in Hampshire	2,554	0
Broadband	1,831	0
Manydown Service Loans	0	50,000
Total programme	4,445	62,990

* The technical accounting re-classification relates to potential loans to the Manydown development programme which were previously covered by the Treasury Management Strategy approved by the County Council and are now to be accounted for as part of the capital programme in accordance with best practice. Further information is provided in Appendix 4.

Manydown Loans

In previous reports to the Executive Member, we have outlined the County Council's involvement in the Manydown Development. In simple terms, the County Council together with Basingstoke and Deane Borough Council (BDBC) each hold an equal leasehold interest in land at Manydown with the option to purchase that land for future development. To undertake this purchase jointly, the Councils set up and operate a separate company called the Manydown Garden Communities. Both Councils entered into a joint venture arrangement with a development company called Urban and Civic (U&C) and it is hoped that a deal with the freeholder, The Manydown Company, for the purchase of the land can be agreed in the near future.

Under the contractual arrangements with BDBC and U&C, the County Council has some financial obligations and has financing opportunities as part of the overall funding for the development. These fall into four main areas:

- Loans to the Manydown Development Company (the joint venture company set up to deliver the Manydown development in a 50:50 partnership between the two Councils and U&C) to provide them with working capital (obligatory).
- Loans to the joint venture company to fund initial feasibility and project work (optional).
- Loans to the joint venture company for the purchase of the land (by way of an equity share funded by U&C) which is part of the overall funding deal.
- Loans to the joint venture company to fund the senior debt requirement for building out the development, which would be secured against the increased value of the developed land (optional).

The council has already made some loans under the first two items totalling £3.7m and has approval within its Treasury Management Strategy (TMS) to loan up to £45m to companies in which it has a significant interest (which at the moment is only Manydown). To date, all of these transactions and approvals have been treated as part of the overall TMS that the County Council approves each year. However, given the heightened scrutiny on local authority investments and companies, our treasury advisers have suggested that all of these items should now be treated as service-based loans to reflect the wider benefits that the County Council and BDBC are aiming to achieve in terms of economic development, regeneration, place shaping and affordable housing.

To facilitate this, the Hampshire 2050 capital programme attached at Appendix 3 includes a total provision of £50m for Manydown service loans, made up of:

- £35m to cover the option for senior debt loans.
- £17.75m representing the County Council's equity share of the land purchase given by way of a loan note from U&C who have funded the land sale in total.

- £2.25m to provide further loans for the working capital and feasibility and project work subject to further business cases being brought forward.

Any senior debt that the council provides will need to be treated as capital expenditure but as this is a service-based loan, the County Council could decide to borrow for this if it chose to do so. The loans for Manydown Garden Communities and joint venture company working capital will be provided for via corporate contingency and any senior debt would be secured against the increase in the value of the land and therefore the only potentially 'at risk' loan is for the feasibility and project funding which is reflected in the high rate of SONIA plus 5% and 9.5% respectively (currently 10.2% and 14.7% respectively) The small amount that has been loaned under this so far (£3.7m) could be covered by the investment risk reserve if needed, so no further mitigation is required. The future repayment of all loans will represent a capital receipt which essentially 'refunds' the capital programme.

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Leader and Executive Member for Hampshire 2050 and Corporate Services
Date:	22 January 2024
Title:	2024/25 Revenue Budget Report for Corporate Services
Report From:	Director of Corporate Operations and Director of People and Organisation

Contact name: Rob Carr – Deputy Chief Executive and Director of Corporate Operations

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Section A: Purpose of this Report

1. The purpose of this report is to set out proposals for the 2024/25 revenue budget for Corporate Services in accordance with the Council's Medium Term Financial Strategy (MTFS) approved by the County Council in November 2023. It also proposes a revised revenue budget for Corporate Services for 2023/24.

Section B: Recommendation(s)

To approve for submission to the Leader and the Cabinet:

2. The revised revenue budget for 2023/24 as set out in Appendix 1.
3. The summary revenue budget for 2024/25 as set out in Appendix 2

Section C: Executive Summary

4. This report provides the summary outputs of the detailed budget planning process undertaken by Corporate Services for 2024/25 and the revised budget for 2023/24. This process has been undertaken against the backdrop of a budget gap of £132m by 2025/26, which the Council is unable to close through savings alone, and escalating cost pressures within key demand led services, including Adult Social Care and School Transport. Over £130m of inflation, pressures and growth has been added to budgets since 2023/24, significantly exceeding increases in the Council's funding. The current high inflationary

environment also continues to present particular challenges in balancing budget certainty for Directorates with levels of affordability for the Council.

5. Disappointingly, the Autumn Statement delivered by the chancellor on 22 November didn't include any additional financial measures to ease the pressures facing local authorities. The announcement of a higher National Living Wage for 2024/25 than had previously been forecast is likely to result in additional financial pressures for the Council, both through increasing costs for our service providers and also impacting future local government pay awards. It was also notable that the tightening of medium term spending limits set by the government suggests a worrying direction of travel for future funding settlements.
6. The anticipated delay to delivery of some aspects of the remaining Transformation to 2021 (Tt2021) programme and Savings Programme to 2023 (SP2023) have been factored into our financial planning, and one-off Directorate funding will be provided where required to bridge the forecast savings gap in 2024/25. As of September 2023, £10.2m of Tt2021 savings and £11.4m SP2023 savings have yet to be delivered across the Council. Plans are in place to deliver most of the remaining Tt2021 and SP2023 savings by 2024/25, however this presents a considerable challenge for directorates in addition to the £17.1m SP2025 savings due to be delivered next year. The report discusses the specific issues impacting delivery of the savings programmes for Corporate Services in Section H.
7. The report also provides an update on the business as usual financial position for the current year as at the end of September and the outturn forecast for the Directorate for 2023/24 is a balanced position. The revised budget is shown in Appendix 1.
8. The proposed budget for 2024/25 analysed by service is shown in Appendix 2.
9. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2023/24 and detailed service budgets for 2024/25 for Corporate Services. The report has been prepared in consultation with the Executive Member and will be reviewed by the Hampshire 2050, Corporate Services and Resources Select Committee. It will be reported to the Leader and Cabinet on 6 February 2024 to make final recommendations to County Council on 22 February 2024.

Section D: Contextual Information

10. In November 2023, Full Council approved the Medium Term Financial Strategy and Savings Programme to 2025 (SP2025) which set out the scale of the financial challenges which the Council currently faces and the proposed measures which will begin to address the budget gap of £132m to 2025/26. However, for the first time the Council finds itself in the position of being unable to close the budget gap through savings proposals alone, with a substantial

recurring shortfall of £41.6m remaining from 2025/26 after accounting for SP2025 savings.

11. As reported to Cabinet in December, the cost pressures facing the County Council have worsened further since the MTFs was set, most notably within Adult Social Care, Special Educational Needs and School Transport. Where the impact of these pressures is known, additional funding has been included in the provisional cash limits and allocated to services as part of the detailed budget setting process undertaken by directorates.
12. The provisional cash limits for 2024/25 include over £130m of inflation, pressures and growth added to budgets since 2023/24. This represents an average increase in directorate cash limits of over 12% in a single year, which is clearly an unsustainable position when set against a maximum increase in Council tax of 5%. It is therefore not surprising that the Council expects to draw some £86m from reserves to balance the budget for the forthcoming year.
13. Setting a budget in a high inflationary environment presents particular challenges in balancing budget certainty for Directorates with levels of affordability for the Council, given the potential for the position to worsen or improve substantially throughout the year in line with changes in the economic picture. The budget for Corporate Services therefore represents a prudent assessment of the funding level required to deliver services, with additional corporately held risk contingencies playing an important role to mitigate the impact of financial uncertainty on service delivery.
14. The Council's approach to planning and delivering savings over a two year period means that the 2024/25 cash limits do not include any new savings proposals. However, given that the balance of the Budget Bridging Reserve will be fully utilised in 2024/25, all SP2025 savings delivered in the forthcoming year will be transferred to the BBR at the end of the financial year.

Autumn Statement

15. The Government announced the 2023 Autumn Statement on 22 November. Disappointingly, the Statement didn't include any additional financial measures to ease the pressures facing local authorities, despite strong lobbying from the sector in the period leading up to the Statement, which attracted widespread press coverage.
16. Of particular significance for Local Government was the announced of a 9.8% increase in the National Living Wage for 2024/25 to £11.44 per hour. This significantly exceeds the previous central estimate of £11.16 published by the Low Pay Commission in May on which the current MTFs forecasts are based. This increase is likely to result in additional financial pressures for the Council, both through increasing costs for our service providers and also impacting future local government pay awards.

17. The Economic and Fiscal Outlook published by the Office for Budgetary Responsibility alongside the Statement showed that Local Authority spending has fallen from 7.4% of GDP to just 5% since 2010/11 and the Government's current spending plans suggest that spending outside the NHS will fall further in real terms over the next five years. This sets a worrying backdrop for the medium term outlook for local government finance and suggests that there is unlikely to be sufficient scope to address the funding shortfalls faced by Councils within the government's current spending plans.

Operating model changes

18. The Council transitioned to a new operating model in January 2023 which established new directorates for the delivery of place shaping services and our Hampshire 2050 vision. When the 2023/24 budget was set, it was highlighted that further changes to budgets would be required to ensure budget allocations accurately match the services and roles aligned to each Directorate. The 2023/24 original budget has therefore been restated to reflect the detailed work undertaken on the later phases of the restructure since the budget was set in February 2023.
19. In addition to the early delivery of some SP2025 savings, the Fit for The Future operating model reviews will continue to be progressed and will ensure that the Council's corporate enabling functions, transformation and administrative activity are delivered as efficiently as possible, and that our contact model takes full advantage of new technologies and the changing ways in which residents interact with the Council. It is anticipated that these reviews will identify some further efficiency savings, however these will not be sufficient to bridge the remaining budget gap.
20. Corporate Services has been developing its service plans and budgets for 2024/25 and future years in keeping with the County Council's priorities and the key issues, challenges and priorities for the Directorate are set out below.

Section E: Directorate Challenges and Priorities

Corporate Operations

21. Corporate Operations includes the following services:
 - Finance
 - Pensions, Investments and Borrowing
 - Integrated Business Centre (IBC) - providing transactional services such as payroll, payments to suppliers, and resourcing services including General Enquiries – providing General Enquiry telephone, web and email contact services on behalf of the County Council, Directorate contact is now embedded in each Directorate.
 - Information Technology

- Strategic Procurement
- Audit Services

In addition, the Director of Corporate Operations has oversight of some smaller corporate budgets including for example, the External Audit fee for the County Council.

22. The budget that was set for 2023/24 includes the removal of SP2023 savings totalling £3.6m, the majority of which have already been delivered this year with a delay for some savings within IT and the IBC linked to the de-commissioning of the current social care system. The replacement systems to Swift have been delayed to ensure that the new systems are fit for purpose and operating correctly before transitioning across and the temporary loss of savings will be met by Corporate Services cost of change funding in the meantime.
23. Hampshire Pension Services continues to perform well providing pensions administration for six different pension funds covering local government, police and fire. Changes arising from the McCloud judgement come into force this year creating additional complexity and work for the team, particularly given that final regulations did not come out in good time for the October 2023 implementation date.
24. Recruitment to vacant roles continues to present challenges for services across the whole Directorate which is driven by demand for the associated skillsets in the wider market and shortage of a suitably qualified workforce from which to draw upon. In line with the other Directorates, we continue to look at innovative ways of attracting new staff including 'growing our own' through apprenticeships and other training programmes and taking part in corporate initiatives to attract and retain our workforce. The flat rate pay awards for last year and this year has helped to bridge some of the pay gap between the Council and the private sector and is starting to help with staff recruitment and retention.
25. The constantly changing world of IT brings both opportunities in terms of new technologies that can support more efficient ways of working and also threats with cyber security being one of the biggest risks for the County Council with new tactics constantly being employed by cyber criminals and high profile cases of ransomware crippling large organisations for months at a time. In February this year Cabinet will be asked to increase the IT budget by over a £1m to meet service and price pressures and to increase resilience in this area and to ensure that we try, as far as possible, to stay ahead of the curve in countering cyber-attacks.
26. The IBC has been in place for Hampshire Partners since 2014, with new Partners joining in 2015 and 2018. As you would expect, Partners continue to review their operating models to ensure that the IBC and wider shared services meets their changing requirements and this has led to some changes this year across Police and Fire as they take back some of their professional support functions such as HR and Finance (for Police only) and the planned off-boarding of the Royal Borough of Kensington and Chelsea, who have decided

to pursue their own Enterprise Resource Planning system, which is due to be implemented later in 2024. Nevertheless, in terms of transactional shared services, the efficiencies and economies of scale of the partnership model remain valuable for the remaining six partners.

27. Strategic Procurement and Audit Services have set challenging targets to sustain and increase income generation to reduce their net service cost and deliver corresponding savings. This approach requires these services to actively seek appropriate opportunities to increase partnership working in addition to delivering business as usual support to the County Council. This has benefitted the Council and its partners through building a wide base of expertise and resources across multiple authorities, improving service efficiency and resilience. Audit Services now have 31 separate partners ranging from local authorities, universities, colleges and police forces, underlining the strength of their business model.

People and Organisation

28. The People and Organisation Directorate comprises:

- Democratic Services and Information Compliance
- Emergency planning and resilience
- Legal services
- Human Resources and Organisational Development services
- Health & Safety
- Communications & engagement
- Organisational Strategy
- Chief Executive's and Leader's offices

In addition, the Director of People and Organisation has oversight of some corporate budgets including Members expenses and Members devolved grants and provides a lead role for Corporate Risk.

29. The forecast outturn for 2023/24 for People and Organisation confirms the successful delivery of its Savings Programme to 2023 (SP2023). A balanced position is forecast for the year, and in addition, the Directorate is expecting to deliver early in-year savings. Some of these will be one-off in nature (for example as a result of higher levels of turnover and vacancies than budgeted for), whilst other additional savings achieved through broader efficiency measures implemented, are intended to support early delivery of the Directorate's future savings requirement for SP25, as we prepare for the expected funding challenges. Achievements so far place the new People and Organisation Directorate in as strong a position as is possible at this stage, to contribute towards these.

30. In addition to their business-as-usual activity, the directorate has provided a key role in supporting the Corporate Management Team to develop and shape the existing organisational model, to ensure that the County Council is 'Fit for the Future'. This has included work to develop our organisation vision, values and behaviours, continued review of our HR policies and practices, as well as developing the approach to the strategic review of our corporate enabling functions across the organisation and other key aspects of how we work as an organisation. The directorate has also continued to embed the organisation's Inclusion Strategy through a range of priority actions and continues to develop the wellbeing resources in place to support our workforce.
31. Our Leadership and Management Development programmes continue to be delivered and the completed review of our approach to development materials, matched against an up-to-date understanding of our developmental needs, stands us in good stead for the future. Significantly, the Service continues to progress, under the leadership of the Corporate Management Team, a Strategic Workforce Programme intended to support and improve the attraction in to and retention of our workforce, reflecting the extremely challenging labour market situation we continue to experience nationally.
32. Our Legal Services team continues to provide advice and guidance to our directorates on the full range of County Council services, including management of complex safeguarding cases in Children's Services and Adults Health and Care. The team also provides comprehensive legal support to the County Council in respect of contracting and procurement, data protection, property, planning, employment and litigation, and governance and decision making. As part of the County Council's ongoing savings programmes, Legal Services is aiming to reduce the net cost of legal support to the County Council. Legal Services does this by working with internal client directorates to manage and control their demand for legal support and then deploying the capacity released on external, income generating, activity. In this way, Legal Services aims to retain a large, resilient and expert practice for the County Council's benefit, whilst at the same time reducing the net cost.
33. Through our strategic approach to Communications and Engagement, the directorate continues to provide effective communication support to the organisation, enabling it to effectively communicate with residents and partners about the discharge of its democratic function, as well as the County Council's strategic priorities. This has included the development of key communication campaigns covering the themes of 'Serving Hampshire' (linked to the delivery of our Strategic Plan), the financial challenges we face and the approach to these through the 'Making the Most of Your Money' campaign, and the future vision for Hampshire the place through Hampshire 2050. More widely internal communications have heavily supported the cascading of important messages to our workforce, including the financial challenges we face, and changes we are making across the organisation as part of Fit for the Future work.
34. Of specific note is the contribution to the County Council's 'Making the Most of Your Money' budget consultation completed during the summer 2023 (which supported the development of the SP25 savings proposals considered in the

autumn 2023), and the related stage 2 consultations in early 2024, assisting both Officers and Members to take important decisions about future services. This work involves the close working of Communication and Engagement, Democratic Services and our Monitoring Officer.

35. In addition, the directorate has led work which has strengthened our digital communication channels, including a review of our website homepage and the creation of a new mobile digital app 'OurHants', both of which are intended to make it quicker and easier for residents, suppliers, and customers to access our services on-line.
36. Ensuring we can provide robust support around assurance, compliance and governance of the County Council remains a key priority. The directorate has continued to strengthen the organisations approach to Health and Safety and Risk Management, including facilitating a full review of our Strategic Corporate Risks and mitigating controls, and our approach to providing assurance of these. We have also continued to streamline processes and modernise systems which underpin our broader governance and democratic functions.
37. Looking to 2024/25, we continue to be focussed on delivery of our SP25 proposals, the ongoing work involved in overseeing and reporting on the Stage 2 consultation and ensuring that our communication and engagement strategy and plans continue to be fit for purpose, particularly considering the challenging financial circumstances.
38. As an 'enabling function', our Business as Usual work is ongoing and remains a priority, ensuring that we are delivering for our service directorates in support of their public facing duties.

Section F: 2023/24 Revenue Budget

39. Enhanced financial resilience reporting, which looks not only at the regular financial reporting but also at potential pressures in the system and the achievement of savings being delivered through transformation, has continued through periodic reports to the Corporate Management Team (CMT) and to Cabinet.
40. The anticipated business as usual outturn forecast for 2023/24 is a balanced position. Within this, the savings from staffing vacancies pending recruitment and early delivery of SP25 savings are offsetting cost of change investments and any net savings will be transferred to the Budget Bridging Reserve in line with the new policy.
41. The budget for Corporate Services has been updated throughout the year and the revised budget is shown in Appendix 1. The revised budget shows an increase of £1.9m made up of:
 - Budget transfers between directorates reflecting changes in management responsibility £1m

- Increase to IT budget from IT reserves for HPSN3 project (temporary) and relating to savings £1m
- Reduction in Shared Services income of £0.8m following offboarding changes from 1 October 2023, offset by reductions in expenditure in Finance and IBC.
- Net other adjustments -£0.1m

Section G: 2024/25 Revenue Budget Pressures and Initiatives

42. Given the nature of Corporate Services, which are generally made up of staffing costs, it is unusual for there to be any specific ongoing revenue pressures, although additional staffing is sometimes appointed on a temporary basis to deal with specific time limited problems or pieces of work.
43. The only exception to this is within IT where the budget includes a high proportion of other costs related to the maintenance and refresh of hardware and licenses for software and other system costs. Many of these costs can be influenced by relative exchange rates with other currencies and by the wider market in terms of inflationary costs or where products or components are in short supply, pushing up prices.
44. IT pressures of £638,000 have been identified for 2024/25 onwards and relate to a number of costs, by far the biggest of which is the additional support costs associated with the introduction of CareDirector and Mosaic as replacements to the Swift social care system. This level of support has been assessed for the first year as the systems bed down and will be reviewed at the end of the year to consider the ongoing requirement for support.
45. IT systems are now critical in supporting virtually all services that we provide, not just in the back office but in front line services too, where access to key systems and data is required on a day to day basis. Protecting these systems and data is therefore vital for the effective running of the organisation and ongoing investment in cyber security to help continue to protect systems as far as we are able is planned for next year, with £405,000 identified for new measures in this area.

Section H: Revenue Savings Proposals

46. The County Council's financial strategy is continuing with a two year approach to planning for savings. Consequently, no new savings are proposed for 2024/25 and savings proposals for 2025/26 have been developed through the Savings Programme to 2025 and were approved by Executive Members in September 2023, and by Cabinet and County Council in October and November 2023. In recognition of the size of the financial challenge which the Council faces, directorates were not issued with savings targets as per previous savings programmes but were instead instructed to review what savings might be achievable if we were to move towards a 'legal minimum' provision of services.

47. The total Savings Programme to 2025 is insufficient to meet the forecast budget gap for 2025/26 and taking account of the planned timing of savings delivery, a significant budget gap of £56.9m remains for 2025/26. Given the shortfall within the Budget Bridging Reserve beyond 2024/25, SP2025 savings delivered in 2024/25 will be transferred to the BBR at the end of the financial year.
48. Since transfers to the BBR will reflect actual savings delivered, the 2024/25 cash limits have not been adjusted in line with planned savings. For Corporate Services, total savings for 2025/26 are £7.123m of which £5.239m are currently anticipated to be delivered during 2024/25.
49. Delivery of these savings presents a significant challenge for the directorate, particularly against a backdrop of continued high inflation. Rigorous monitoring of the implementation of the programme will begin during 2024/25, to ensure that the Directorate is able to deliver its SP2025 savings in line with planned timescales.
50. This early action in developing and implementing the Savings Programme to 2025 means that the County Council is in the best possible position for setting a balanced budget in 2024/25 and that no new savings proposals will be considered as part of the budget setting process for the forthcoming financial year.
51. Additionally, it is anticipated that £0.41m of SP2023 savings will remain to be achieved in 2024/25. The main reasons for the delays to savings delivery relate to the delayed implementation of the replacement IT systems for Adults and Children's Social Care, with related implications for planned changes to system support requirements within IT and the IBC.

Section I: Budget Summary 2024/25

52. The budget update report presented to Cabinet on 12 December 2023 included provisional cash limit guidelines for each Directorate. The cash limit for Corporate Services in that report was £54.1m, a £0.9m increase on the previous year. The increase comprised:
 - An allocation for inflation on non-pay and income budgets -£1m
 - Budget transfers between directorates reflecting changes in management responsibility +£1m
 - Corporately funding allocations previously agreed by Cabinet +£0.4m
 - Increase to IT budget from IT reserves relating to savings +£0.5m
 - Reduction in Shared Services income of £3.4m following HIOWC & HIWFERS offboarding changes, offset by reductions in expenditure in HR, Finance and IBC.

53. Appendix 1 sets out a summary of the proposed budgets for the service activities provided by Corporate Services for 2024/25 and show that these are within the cash limit set out above. A summary is shown in the table below:

	2024/25	
	£'000	£'000
Corporate Operations		
Cash Limited Expenditure	79,018	
Less Income (Other than Government Grants)	(39,070)	
Net Cash Limited Expenditure – Corporate Operations		39,948
People & Organisation		
Cash Limited Expenditure	23,385	
Less Income (Other than Government Grants)	(9,238)	
Net Cash Limited Expenditure – People & Organisation		14,147
Total Net Expenditure – Corporate Services		54,095

Section J: Climate Change Impact

54. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council’s climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
55. This report deals with the revenue budget preparation for 2024/25 for the Corporate Operations and People and Organisation Directorates. Climate change impact assessments for individual services and projects will be undertaken as part of the approval to spend process. There are no further climate change impacts as part of this report which is concerned with revenue budget preparation for 2024/25 for the Corporate Operations and People and Organisation Directorates.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes / No
People in Hampshire live safe, healthy and independent lives:	Yes / No
People in Hampshire enjoy a rich and diverse environment:	Yes / No
People in Hampshire enjoy being part of strong, inclusive communities:	Yes / No

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Corporate Services Savings Programme to 2025 – Revenue Savings Proposals (Leader and Executive Member for Hampshire 2050 and Corporate Services) https://democracy.hants.gov.uk/ie/IssueDetails.aspx?Id=57856&Opt=3	25 September 2023
Medium Term Financial Strategy Update and Savings Programme to 2025 Savings Proposals https://democracy.hants.gov.uk/mgAi.aspx?ID=63758#mgDocuments	Cabinet – 10 October 2023 / County Council – 9 November 2023
Budget Setting and Provisional Cash Limits 2024/25 Financial Update and Budget Setting and Provisional Cash Limits 2024/25 (hants.gov.uk)	Cabinet – 12 December 2023
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>
Section 100 D - Local Government Act 1972 - background documents	
The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)	
<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

The budget setting process for 2024/25 does not contain any proposals for major service changes which may have an equalities impact. Proposals for budget and services changes which are part of the Savings Programme to 2025 Programme were considered in detail as part of the approval process undertaken in September, October and November 2023 and full details of the Equalities Impact Assessments relating to those changes can be found in Appendices 3 to 7 of the October Cabinet report linked below:

<https://democracy.hants.gov.uk/mgAi.aspx?ID=62985#mgDocuments>

For proposals where a Stage 2 consultation is required, the EIAs are preliminary and will be updated and developed following this further consultation when the impact of the proposals can be better understood. The results of these consultations and any changes to equality impacts will be reported to the relevant Executive Member as the savings proposals are further developed and implemented.

Budget Summary 2023/24 – Corporate Services

Service Activity	Original Budget 2023/24 ¹ £'000	Revised Budget 2023/24 £'000
Audit	812	812
Finance	7,026	6,392
Pensions, Investments & Borrowing	(23)	(23)
IBC ²	13,758	14,036
IT	31,684	35,571
Strategic Procurement	2,201	2,997
Shared Services Partnership Income ²	(18,841)	(19,328)
Other Central Management Costs ³	663	659
Cost of Change – Corporate Operations	0	(2,055)
Total Corporate Operations	37,280	39,061
Government Grants	0	0
Net Cash Limited Expenditure Corporate Operations	37,280	39,061

Service Activity	Original Budget¹ 2023/24 £'000	Revised Budget 2023/24 £'000
Democratic Services	973	1,002
Emergency Planning	297	297
Legal Services	3,153	3,548
HR Operational Services	6,228	6,879
Health & Safety	741	738
Communications & Engagement ⁴	1,560	2,767
Members & Other Central Management Costs ⁵	2,930	2,925
Cost of Change – People & Organisation	0	(2,106)
Total People & Organisation	15,882	16,050
Government Grants	0	0
Net Cash Limited Expenditure People & Organisation	15,882	16,050
Net Cash Limited Expenditure Corporate Serves	53,162	55,111

¹ The 2023/24 original budget has been restated to reflect final restructure changes associated with the directorate changes from January 2023.

² The net increases in the IBC budget and Shared Services Partnership Income take account of one-off funding for the Shared Services Development Programme.

³ Other Central Management Costs includes Audit fee, Contribution to Trading Units, Corporate & Democratic Representation and Other.

⁴ The increase in the Communications & Engagement budget reflects one-off funding from the Directorate Cost of Change reserve.

⁵ Members & Other Central Management Costs includes Chief Executives and Leaders Office, Members Support costs, Subscriptions to LGA and corporate hospitality.

Budget Summary 2024/25 – Corporate Services

Service Activity	Original Budget 2023/24⁶ £'000	Proposed Budget 2024/25 £'000
Audit	812	755
Finance	7,026	5,733
Pensions, Investments & Borrowing	(23)	(183)
IBC	13,758	13,444
IT	31,684	33,174
Strategic Procurement	2,201	2,986
Shared Services Partnership Income	(18,841)	(16,629)
Other Central Management Costs ⁷	663	668
Total Corporate Operations	37,280	39,948
Government Grants	0	0
Net Cash Limited Expenditure Corporate Operations	37,280	39,948

Service Activity	Original Budget¹ 2023/24 £'000	Proposed Budget 2024/25 £'000
Democratic Services	973	956
Emergency Planning	297	293
Legal Services	3,153	3,273
HR Operational Services	6,228	4,253
Health & Safety	741	738
Communications & Engagement	1,560	1,687
Members & Other Central Management Costs ⁸	2,930	2,947
Total People & Organisation	15,882	14,147
Government Grants	0	0
Net Cash Limited Expenditure People & Organisation	15,882	14,147
Net Cash Limited Expenditure Corporate Serves	53,162	54,095

⁶ The 2023/24 original budget has been restated to reflect final restructure changes associated with the directorate changes from January 2023.

⁷ Other Central Management Costs includes Audit fee, Contribution to Trading Units, Corporate & Democratic Representation and Other.

⁸ Members & Other Central Management Costs includes Chief Executives and Leaders Office, Members Support costs, Subscriptions to LGA and corporate hospitality.

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Leader and Executive Member for Hampshire 2050 and Corporate Services
Date:	22 January 2024
Title:	Awards from Community Grant Schemes
Report From:	Director of Hampshire 2050

Contact name: Emma Noyce, Lisa Wood and Miranda Woolfenden

Tel: 0370 779 8373

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Purpose of this Report

1. The report considers two applications for grants from the Leader's Community Grant Fund, one application from the Parish Town Council Investment Fund (PTCIF) and two applications from the Rural Community Fund (RCF) for 2023/24.

Recommendations

2. That the Leader and Executive Member for Hampshire 2050 and Corporate Services approves:
 - a) Two grants totalling £30,000 from the Leader's Community Grant Fund 2023/24 to cultural and community organisations in Hampshire, as set out in Appendix 1;
 - b) One grant totalling £13,144 from the Parish and Town Council Investment Fund, as set out in Appendix 2;
 - c) Two grants totalling £12,500 from the Rural Community Fund, as set out in Appendix 3.

Executive Summary

3. Two organisations have applied for a grant through the Leader's Community Grant Fund totalling £40,100, one organisation has applied for a grant from the Parish Town Council Investment Fund (PTCIF) totalling £13,144 and two organisations have applied for a grant from the Rural Community Fund (RCF) totalling £18,162 for 2023/24.
4. The report considers the applications and recommends the awards totalling £30,000 from the Leader's Community Grant Fund, £13,144 from the Parish Town Council Investment Fund (PTCIF) and £12,500 from the Rural Community Fund (RCF). The recommended awards can be met from within existing budget provision.

Contextual Information

5. The purpose of the Leader's Community Grant Fund is to fund projects which provide community benefit and help local communities thrive and/or to help local organisations become financially self-supporting and not reliant on public sector funding.
6. The priority of the PTCIF is to support partnerships between Parish and Town Councils or local community groups and the County Council. It provides investments to schemes which respond to local needs and aims to reduce pressure on County Council Services.
7. The Rural Communities Fund offers small grants to support Parish Councils, groups and organisations in rural Hampshire and small market towns. The overall priorities of the scheme are to build community resilience and encourage self-help.
8. Full details of each of the grant streams can be found on the Council's website <https://www.hants.gov.uk/community/grants>.

Finance

9. The recommended awards can be met from within existing budget provision.

Consultation and Equalities

10. A high-level Equalities Impact Assessment has been undertaken. The grants are intended to have a positive impact and advance equality.
11. The corporate terms and condition of grant require that any organisation in receipt of funding shall ensure that at all times it complies with the Equality Act 2010 if applicable and shall ensure that it does not discriminate against any person or persons on the basis of protected characteristics.

Climate Change Impact Assessment

12. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
13. The carbon mitigation tool decision tree indicates it is not suitable for the assessment of a programme. The decisions in this report are financial decisions in relation to a programme of one-off grant opportunities. Therefore, the tool is not suitable for this Climate Change Impact Assessment and has not been used.

Other Key Issues

14. Legal Implications: Section 1 (1) of the Localism Act gives the County Council the power to do anything that individuals may generally do. This includes the power to make grants.

15. The Council has had regard to the Subsidy Control Act 2022 and the provisions of the subsidy control regime in relation to the recommended awards considered in this report.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	no
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
The Leader's Community Grant Fund – Revised Criteria	13 July 2023

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

- 2.1. A high-level Equalities Impact Assessment has been undertaken. The grants are intended to have a positive impact and advance equality.

Applications to the Leader's Community Grant Fund – 2023/24

Organisation (District/Division)	Proposal	Amount Requested	Amount Recommended		
Campaign to Protect Rural England (CPRE), Hampshire (Countywide)		£25,000	£25,000		
<i>Application summary</i>	<p>CPRE works with communities, businesses and government to promote, enhance and protect the countryside for the benefit of everyone, wherever they live. The Hampshire Hedge project is an initiative to connect the South Downs and New Forest National Parks, with a green corridor of hedgerow. Over three years, the organisation will restore a network of 14 miles of hedgerows, through the central heart of Hampshire including link woodlands, meadows, local nature reserves and Sites of Special Scientific Interest, working with 8 towns and parishes, local communities, 20 school and youth groups and landowners.</p> <p>This funding request is towards engagement with schools and community organisations along the route and invite local schools, parish councils and community groups to plant or lay a hedge. It will also be used to raise awareness of the value of hedgerows, through talks on hedgerow-related issues and distribution of educational material to schools across Hampshire, the provision of tools and resources, community hedge planting action days, provide transport for six participating schools, hold hedgerow foraging events, hedgerow art workshops, hedgerow surveying events, advanced hedgerow management days for landowners/farmers, insurance and publicity and promotion costs. The project will culminate with a final project event for all who have contributed. This is a climate action project with a focus on engagement, getting communities involved in planting hedgerows and their ongoing management. Previous hedgerow projects on the Merrick Estate in the New Forest and the County Farms Estate in Titchfield have taken place since 2021 and the successful elements have been incorporated into this Hampshire Hedge project.</p>				
<i>Reach</i>	Will benefit approx.100 per activity.				
<i>Funding</i>	Total Project Costs	Shortfall	Match funding from other organisations sought	Own funds committed	HCC already committed
	£75,000	£25,000	Nil	£50,000	Nil
	(Note previous funding awarded: £1,350 from the Rural Communities Fund in 2018 towards the Rural Affordable Housing Conference; £2,500 from the Rural Communities Fund towards Hampshire Countryside Awards 2023)				
<i>Match scheme criteria</i>	Yes				
<i>Local Member Comments</i>	n/a				
<i>Recommendation/ conditions</i>	£25,000				

Organisation <i>(District/Division)</i>	Proposal	Amount Requested	Amount Recommended		
Trinity, Winchester (Winchester/Eastgate)		£15,100	£5,000		
<i>Application summary</i>	<p>Trinity Winchester is a Winchester-based charity which addresses the effects of homelessness and vulnerability through specialist practical and emotional support and proactive prevention, empowering positive change.</p> <p>Trinity is seeking to reduce the carbon footprint of its day centre in Durngate Place, Winchester. The day centre offers a safe, secure and warm place for people to use during the day – especially during the cost-of-living crisis. In addition, they can access a nutritious hot meal, do washing and personal care and access learning programmes, computers and broadband. Energy costs with the current natural gas system are set to increase by 50% in the next 2 years. With the implementation of the planned works, reductions in energy costs will be diverted to expanding support programmes, focused on addiction and recovery for vulnerable individuals. Phase 1 of the works include retrofitting the existing building with state-of-the-art green technology and remove the reliance on natural gas to heat the buildings, replacing the existing external curtain walling and windows with new thermally broken system and replace the external doors. In addition, preparation for Phase 2 will be undertaking an energy study and feasibility report to advise on further potential energy efficiency improvement options.</p> <p>In addition to financial savings, the environmental benefits of implementing improvements, such as replacing the existing gas boiler with an air source heat pump will enable Trinity to apply for support to trusts, foundations and other funders to secure the capital funding necessary to complete the work.</p>				
<i>Reach</i>	Will benefit approx. 600 residents				
<i>Funding</i>	Total Project Costs	Shortfall	Match funding from other organisations sought	Own funds committed	HCC already committed
	£38,100	£15,100	£23,000 (including £5,000 from Winchester City Council)	£15,000	Nil
	(Note previous funding awarded:)				
<i>Match scheme criteria</i>					
<i>Local Member Comments</i>	Councillor Hiscock fully supports the application.				
<i>Recommendation/conditions</i>	£5,000 towards the Energy Study and Feasibility Report and SBEM Review				

Applications to the Parish Town Council Investment Fund (PTCIF) – 2023/24

Organisation (District/Division)	Proposal	Amount Requested	Amount Recommended		
Fair Oak and Horton Heath Parish Council – Woodland Community Centre Solar (Basingstoke and Deane / Calleva)		£13,144	£13,144		
<i>Application summary</i>	<p>Fair Oak and Horton Heath Parish Council has been delivering on an extensive Climate Change Action Plan covering the subjects of Energy, Transport, Food and Land Use, Economy, Housing and Waste, and Citizen Engagement since 2019. One 'Energy' objective is to reduce the parish council's demand for fossil fuels by changing to renewable-energy electricity providers and by adding renewable-energy generation to existing council buildings where feasible. The Council has demonstrated commitment to Climate Change Adaptation by supporting a solar system at the parish office (with plans to extend to completely power the office, depot & our EV fleet). They are also implementing a solar system for their community café which is nearing completion. To progress with the decarbonisation of their community buildings they want to install PV Solar with battery storage to the Woodland Community Centre. As a well-used community building, hosting a variety of community-based organisations & activities, including a preschool and local Scouting Group, the building is in use up to 18 hours a day, 363 days a year.</p> <p>The building currently uses 13 260 kWh of electricity annually and we estimate that this scheme will be able to deliver 88% green energy use. Having received a positive review and supporting statement from the Climate Change Team for 2.23 tonnes/annum saved, and a with a favourable 5 year repayment schedule, this grant is recommended for approval.</p>				
<i>Reach</i>	Will benefit approx. 6000 annually				
<i>Funding</i>	Total Project Costs	Shortfall	Match funding from other organisations sought	Own funds committed	HCC already committed
	£19,617	£13,144		£6,473	
	(Note previous funding awarded:) £1,450 from Parish and Town Council Investment Fund in 2023 to carry out a full energy audit to complement and demonstrate effectiveness of their Climate Change Action Plan.				
<i>Match scheme criteria</i>	Yes				
<i>Local Member Comments</i>	Cllr Broomfield is a member of the Parish Council, and so abstained from commenting on the application.				
<i>Recommendation/ conditions</i>	£13,144				

Applications to the Rural Community Fund (RCF) – 2023/24

Organisation (District/Division)	Proposal	Amount Requested	Amount Recommended		
Silchester Village Hall – Toilet Refurbishment (Basingstoke and Deane / Calleva)		£10,000	£5,000		
<i>Application summary</i>	<p>In 2014 Silchester Village Hall improved the kitchen facilities and built accessible toilets to enhance the “hireability” of the hall and the user experience. They now have a popular community café, the monthly village market and the Rainbows, Brownies and Guides and the Pheonix club for older people, including a community lunch hosted by the Brownies for the local older residents. They wish to build further on this success.</p> <p>Silchester Village Hall has two spaces available for use by the community – the Main Hall and the Club Room. Both have outdated toilet facilities, and disabled toilet facilities which require improvement to be compliant with current legislation. Recent consultation with users of the hall has demonstrated that the current toilet facilities are not suitable for continued current use, or to attract additional private hirers, particularly for weddings, parties and from local business. The project focuses on refurbishing the toilet facilities for the Club Room, as these are most in need, and improve the disabled toilets in the Club room and Main Hall. Any remaining funds, along with continued fundraising will continue to improve the toilets for the Main Hall. Their business plan demonstrates that with improved facilities, they would be able to increase their income sufficiently to make the village hall fully sustainable into the long term, while enabling them to continue to offer favourable rates to vulnerable members of their community and charities.</p>				
<i>Reach</i>	Will benefit approx. 2000/month				
<i>Funding</i>	Total Project Costs	Shortfall	Match funding from other organisations sought	Own funds committed	HCC already committed
	£66,362	£21,362	£30,000 (B&D Rural Prosperity Fund - confirmed)	£5,000	£0
	(Note previous funding awarded:) £12,500 from Community Buildings Capital Fund in 2013 (kitchen), £25,000 from CBCF in 2017 (Replacement roof)				
<i>Match scheme criteria</i>	Yes				
<i>Local Member Comments</i>	Cllr Vaughan is supportive of the grant award.				
<i>Recommendation/ conditions</i>	£5,000 – (Match funding applicant’s £5000 contribution and recognising £37,500 in previous grants)				

Organisation <i>(District/Division)</i>	Proposal	Amount Requested	Amount Recommended		
Gratton Trust – Solar Project <i>(Winchester/Itchen Valley)</i>		£8,162	£7,500		
<i>Application summary</i>	<p>The Gratton Trust aim to ensure the facilities they provide continue to work towards tackling climate change. The next stage of this programme of work is to install a solar PV system together with batteries at the Gratton Recreation Area Pavilion.</p> <p>The pavilion provides local facilities to all sections of the local community - both young and old - to participate in and play sport, informal recreation and cultural activities with the objective of improving and enhancing the well-being of the whole community.</p> <p>The Gratton Pavilion underwent substantial improvements in 2019. The resulting building is well insulated with energy efficient LED lighting throughout and is therefore a good candidate for solar energy production.</p> <p>Their chosen contractor has provided a quote based on the provision of 36 panels (total 15.66kW) and battery storage totalling 17.4kWh, and once completed this installation is expected to save 2.5kg of CO2 each year. Some electricity from the solar installation proposed will be sold back to the grid, creating an additional income for the applicant estimated at £350/yr. The recommended grant amount reflects a £662 reduction to account for this income generation, and also matches the contribution from Winchester City Council.</p>				
<i>Reach</i>	Will benefit approx. tbc				
<i>Funding</i>	Total Project Costs	Shortfall	Match funding from other organisations sought	Own funds committed	HCC already committed
	£20,662	£8,162	£7,500 - WCC	£5,000	
	<i>(Note previous funding awarded:)</i>				
<i>Match scheme criteria</i>	Yes				
<i>Local Member Comments</i>	Cllr Jackie Porter is fully supportive of the grant award				
<i>Recommendation/conditions</i>	£7,500 (Conditional on successful WCC grant)				

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Leader and Executive Member for Hampshire 2050 and Corporate Services
Date:	22 January 2024
Title:	Guidance on Planning Obligations and Developer Infrastructure Contributions
Report From:	Director of Hampshire 2050

Contact name: Emily Howbrook

Email: emily.howbrook2@hants.gov.uk

Purpose of this Report

1. The purpose of this report is to explain the role of the Guidance on Planning Obligations and Developer Infrastructure Contributions and seek approval for its publication and adoption by the County Council.
2. A Cabinet decision from September 2020 agreed that authority be delegated to the Leader for final approval of a corporate policy setting out the County Council's infrastructure and developer contribution requirements.

Recommendations

3. That the Leader and Executive Member for Hampshire 2050 and Corporate Services approves the Guidance on Planning Obligations and Developer Infrastructure Contributions.
4. That the Director of Hampshire 2050 is given delegated authority to approve minor updates to the Guidance to reflect changes to national policy, guidance and best practice as appropriate.

Executive Summary

5. This paper seeks to:
 - set out the background to the County Council's Guidance on Planning Obligations and Developer Infrastructure Contributions
 - summarise the consultation feedback received from local planning authorities
 - highlight the demand for the Guidance and how it will be utilised in plan-making and decisions
 - highlight the constraints and opportunities available to seek planning obligations and contributions towards infrastructure costs from developments

- consider the preferred approach to refreshing the guidance to reflect best practice

Contextual information

6. The County Council is responsible for delivering key services which support the infrastructure requirements of both existing and new development. Investment in infrastructure is required to support long-term planned housing growth across the County. Hampshire’s population (estimated at 1.41 million in 2021) has grown by 6.3% since 2011. A growth in households of 7.8% in the same period demonstrates the requirement for new homes and supporting infrastructure across the County.
7. The County Council’s land supply monitoring data enables it to identify planned housing and associated population growth at a local level. This growth often results in demonstrable pressures on infrastructure, for example on roads and transport (e.g. peak vehicle movements or demand for bus services). According to local planning authorities, concerns about infrastructure provision remain one of the most cited comments in Local Plan consultations.
8. As part of the planning process, the County Council can seek planning obligations to help mitigate the impacts of development and has done this for a number of years. A Cabinet decision in September 2020 agreed that corporate policy in the form of guidance was required to guide this activity, following important changes to the planning system. This included amendments to regulations which came into force in September 2019 which relaxed the restrictions around the use of section 106 agreements for most developments.

Background to the Guidance

9. *Guidance on Planning Obligations and Developer Infrastructure Contributions (2023)* (the Guidance) has been prepared to clarify the role of the County Council in assessing infrastructure needs, securing developer funding, and its approach to utilising section 106 legal agreements.
10. The Guidance will play a key role in providing a joined-up consistent approach to infrastructure funding, and support discussions about balancing funding priorities. A summary of the range of infrastructure requirements covered by the Guidance is shown below:

Infrastructure/ planning obligation	Hampshire County Council Directorate	Evidence/ strategy (key documents)
Highways, transport & travel	Hampshire 2050 (Local Highway Authority)	<ul style="list-style-type: none"> • Local Transport Plan 4 and area action plans • Local Cycling & Walking Infrastructure plans
Primary & Secondary schools (new and extensions) Special Educational Needs & Disabilities (SEND), early	Hampshire 2050 / Children’s Services (statutory duty to ensure a sufficiency of school)	<ul style="list-style-type: none"> • Development Contributions towards Children’s Services Facilities (March 2022)

Infrastructure/ planning obligation	Hampshire County Council Directorate	Evidence/ strategy (key documents)
years and post-16 Contribution	places for Hampshire children)	<ul style="list-style-type: none"> Hampshire Schools Places Plan 20223-2027
Countryside, Public Rights of Way & Green Infrastructure	Universal Services (statutory duty as local highway authority to protect and maintain the network of public rights of way (PROW))	<ul style="list-style-type: none"> 2015-2025 Hampshire Countryside Access Plan (CAP)
Extra Care housing	Adults' Health & Care	<ul style="list-style-type: none"> Adults' Health and Care Strategy
Library and archives provision	Children's Services	<ul style="list-style-type: none"> Library Service Transformation - Strategy to 2025
Household waste management	Universal Services (Waste and Environment)	<ul style="list-style-type: none"> Joint Municipal Waste Management Strategy (2022)

11. The table above also demonstrates the strategic framework within which the Guidance sits, namely the statutory duties for infrastructure provision and the adopted strategies and aims for which infrastructure improvements help to deliver.
12. The National Planning Policy Framework (NPPF) and guidance already sets out the expected approach to planning obligations (legal obligations entered into to mitigate the impacts of a development proposal). This encourages local planning authorities in two tier council areas to work with county councils at an early stage of the planning process when planning obligations are being discussed in order to prevent delays to the agreement of planning obligations. Standardised or formulaic evidence can be used to inform the identification of needs and costs and the setting of plan policies by local planning authorities (districts and boroughs). The County Council Guidance seeks to provide or signpost such evidence. All planning obligations sought must meet the statutory tests including funding a project that is directly related to that specific development.

Rationale for the new Guidance

13. The publication of detailed advice and guidance on the approach sought by the County Council to secure developer contributions towards infrastructure has varied across Council's services, and to date has not been coordinated into one comprehensive source of information.
14. In March 2023 following engagement with relevant services across the Council, draft guidance was subject to a public consultation exercise. Following further

engagement with service areas, and feedback from Local Planning Authorities, the Guidance has been finalised and is attached as Appendix 1.

15. The main audience for the Guidance includes the development sector, as planning applicants for major developments have to consider the totality of planning obligations sought when calculating development viability. Upfront information about development costs is critical to the sector, especially against the backdrop of inflation and increased build costs.
16. The Guidance includes other important areas, such as flood and water management, where planning obligations are not sought, but where clear upfront advice on satisfying requirements of the Lead Local Flood Authority assists the development process.

Purpose of the Guidance

17. As suggested above, the Guidance is non-statutory unless local planning authorities (district and borough councils) choose to incorporate the advice through the plan making process. For example, several authorities have an adopted Supplementary Planning Document on planning obligations and could be subject to revision and update in future. Local Planning Authorities require information about County Council services to be able to evidence policies for planning obligations set out in Local Plans.
18. Consultation and engagement with local planning authorities shows a strong demand for comprehensive guidance on infrastructure contributions which may be sought from the County Council in response to planned development. The specific recommended uses of the Guidance are detailed in the document itself.
19. The information in the Guidance is not an exhaustive list and the exact requirements for planning obligations will be decided on a case-by-case basis with the individual circumstances of each site being taken into consideration.
20. The Guidance can be used as supporting evidence when bidding for Community Infrastructure Levy (CIL) funds for infrastructure projects in local planning authority areas in Hampshire which operate a CIL. Eastleigh, Hart, New Forest National Park and Rushmoor local planning authorities do not currently operate CIL, and in these four authorities planning obligations only are sought to fund mitigating infrastructure.
21. The Guidance is caveated by explaining that mitigation required is largely subject to negotiation and that formulaic approaches often provide a starting point only. The Guidance signposts to several supporting strategies and detailed guidance and is not able to be fully comprehensive.

Keeping the Guidance up to date

22. The Guidance is subject to changes in Government policy and updated evidence studies (e.g., increased demand for services) and therefore the recommendation is to approve the Guidance as a 'living document', able to be updated as required. Updates will be clearly communicated to users of the Guidance.
23. The Levelling up and Regeneration Bill, introduced to Parliament on 11 May 2022, included proposals which could change the way in which developer

funding is delivered. The bill was given Royal Assent on 26 October 2023 and the Levelling up and Regeneration Act introduces a new Infrastructure Levy (IL) replacing the current s106 and Community Infrastructure Levy (CIL) regime.

24. A role for Section 106 agreements in relation to larger sites is still envisaged and it is anticipated that there would be a lengthy transitional period as the new levy would be introduced through a 'test and learn' system over a 10-year period. Before the Act can take full effect there will need to be a raft of technical consultations, secondary legislation and an update to the National Planning Policy Framework (NPPF). The current proposed changes to the National Planning Policy Framework (as consulted upon in December 2022) are still to be finalised, which may trigger a review of the Guidance (for example about meeting specialist housing needs).

Finance

25. This report does not seek additional revenue funding for services, and the costs of updating the Guidance are covered by existing budgets (the Spatial Planning service).
26. The Guidance highlights the importance of experienced staff resources necessary to demonstrate the need for infrastructure funding and negotiating implementation through legal agreement and other mechanisms. There is also a cost associated with preparing updated evidence to justify the request for planning obligations.
27. The published Infrastructure Funding Statement 2021/22 (December 2022) reports that approximately £12 million of developer contributions were agreed in legal agreements that year (including associated fees and cash deposits). Planning obligations also come in the form of land in-kind, offsite works and services such as bus services (i.e. non-monetary).
28. The cost of monitoring and collecting developer contributions to fund the capital programme is covered by a monitoring fee. The Director of Hampshire 2050 agreed an increase in the planning obligations monitoring fee in June 2022 to ensure the cost is fully covered. In 2021/22 a total of £47.45 million of developer funding was received towards a range of infrastructure.
29. There are additional services offered by the County Council to support applicants navigating the planning system in the two-tier council area, including compliance with legal agreements and infrastructure delivery. This includes a Highway Development Coordinator Service and pre-application highway advice service for developers. Resourcing these services supports the efficient implementation of the infrastructure sought as set out in the Guidance.

Performance

30. As mentioned above, Children's Services and the Highway Authority have been negotiating and securing planning obligations for many years to support the capital programme. The success of approving the Guidance will be measured by the improved efficiencies achieved in providing upfront advice to developers and plan-making authorities grappling with the competing expectations of planning gain sought. Support in justifying obligations can help speed up the

process of resolving Section 106 legal agreements, which is a longstanding Government objective.

31. The Department of Levelling Up, Homes and Communities launched a technical consultation (17 March – 9 June 2023) on the proposed Infrastructure Levy and changes to the way developer contributions will be sought. Despite the Levelling up and Regeneration Act (2023) and plans to introduce a new Infrastructure Levy (IL), the County Council still relies on section 106 and so the success of the Guidance will be in making the continued case for what should be in scope for securing funding via section 106 or superseding mechanisms.
32. The revised Guidance (Appendix 1) includes a summary of developer contributions secured in the last three years, with total spending averaging £27 million per annum. The overall financial success of the approach to planning contributions embedded in the Guidance can be measured by monitoring this financial data, and in particular how funding has been spent and thus benefitted local communities.

Consultation

33. A draft version of the Guidance was subject to an online consultation in February- March 2023. The majority of Hampshire's local planning authorities responded to the consultation, along with six town or parish councils. There was no feedback or engagement from the development sector itself.
34. Local planning authorities must balance the viability and deliverability considerations of seeking planning obligations, including those sought by applying Local Plan policy. The totality of obligations sought (including a proportion of affordable housing), alongside abnormal developer costs and marginal viability, can in some cases necessitate difficult decisions about competing priorities. This challenge was reflected in a number of the responses received which challenged the justification for some obligations proposed.
35. A summary of the consultation responses is as follows (see Appendix 2 for further details):

General comments:

- provides a good overview for developers in terms of infrastructure requirements and expectations (contributions secured, both financial and non-financial)
- guidance is helpful to inform the preparation of Infrastructure Delivery Plans and the viability work for Local Plans
- the County Council will need to work closely with the local planning authorities if the government proceeds with a transition towards the proposed Infrastructure Levy
- the Guidance will be used differently by CIL and non-CIL charging authorities
- the County Council's prioritisation of infrastructure required should be clear

Evidence of needs:

- where infrastructure is the statutory responsibility of the County Council, there must be robust and detailed justification which includes an explanation of the provider's existing funding arrangements, statutory responsibilities and delivery planning
- the County Council should provide its own Infrastructure Delivery Plan

Viability:

- should place stronger emphasis on authorities working together to ensure the County Council's infrastructure requirements are factored into local plan viability assessments
- more evidence required on the viability of County Council obligations alongside the requirements in adopted Local Plan policy and District/Borough planning obligation guidance

Expenditure:

- should avoid the inclusion of clauses (Section 106) that may result in an open-ended timeframe for delivery of infrastructure
- the County Council should develop a clear programme for delivery of specific identified projects (spending plans) and delivery reported alongside its annual Infrastructure Funding Statement

Guidance on specific planning obligations:

- a strong justification for contributions towards libraries is required given the recent closures of libraries in some areas
- clearer guidance should be provided on the need for Extra Care accommodation and how that is to be delivered to support planned communities
- clarify guidance on post-16 education provision and more detailed evidence about the need for SEN (Special Educational Needs) provision
- advice on accessibility standards of new homes to be revised to reflect national policy and building regulations (and avoid duplication)
- should provide tool for developers to be able to assess impacts on Public Rights of Way
- should make it clear when the County Council as Public Health Body considers a Health Impact Assessment (HIA) should be completed

36. In response to the comments received, the finalised Guidance set out in Appendix 1 includes the following key modifications (in summary):

- inclusion of a single point of contact for infrastructure planning
- restructure the guidance using a consistent approach across the individual sections
- clarify the status and weight to be given to the Guidance
- clarify the strategic basis and evidence used to justify seeking contributions

- strengthen the link between strategic outcomes, evidence and requirements for contributions
 - section on Children’s Facilities (schools) to reflect updated DfE best practice on *Securing Developer Contributions for Education* (August 2023)
 - section on highways and transport to include explanation of how contributions are calculated on a case by case basis
 - additional information provided about spending plans and approach to seeking CIL funds
37. No specific comments on the draft Guidance were provided by the Parish and Town Councils which responded. In some cases the opportunity was taken to flag some identified deficiencies in local provision (e.g. early years places), and requests for local spending on communities to be reported.

Equalities

38. Whilst the Guidance provides a policy basis for seeking infrastructure, it does not however deliver change itself. Therefore, whilst infrastructure schemes (e.g. extra care housing) are expected to have positive impacts on the protected characteristics of age and disability, they will be subject to their own Equalities Impact Assessment as schemes progress to delivery. This decision therefore has the potential to contribute to a positive impact for age and disability, and a neutral impact for other statutory protected characteristics. The decision could also have a positive impact on those in poverty, as the guidance supports the provision of social infrastructure, and also rural residents, through contributions to green space and public rights of way.
39. The approach to infrastructure planning and funding in the guidance is supported by the National Planning Policy Framework, and its accompanying Equality Impact Assessment (2018) states:
- “The changes to policy on viability should streamline how funding for infrastructure and affordable housing is secured and increase certainty around the likelihood of delivery, which should benefit all people accessing services including health centres, transport services and affordable housing – including people who share protected characteristics. People who access affordable housing are likely to include a high proportion of those who share protected characteristics compared to people accessing market housing and the environment.

Climate Change Impact Assessments

40. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council’s climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.

41. The tools to assess specific impacts on climate change adaptation and mitigation were found not to be applicable on the grounds that the decision relates to publication of Guidance which is a procedural document and not a project. The preparation and adoption of the Guidance will not, in itself, have any discernible impact on climate change, until any infrastructure is delivered, which will be assessed at an appropriate time. The Guidance does seek to influence development projects however and includes some references to achieving sustainability objectives. For example:

- sustainable waste management (supporting the provision of Household Waste Recycling centres)
- support for seeking low and net zero carbon building for new schools
- emphasis on promoting alternatives to the private car and reducing carbon emissions (sustainable transport infrastructure and initiatives)
- reducing car use through investment in rights of way
- advising on the provision of Sustainable Drainage Systems (SuDS)

Conclusions

42. Approval is sought to formally adopt the Guidance on Planning Obligations and Developer Infrastructure Contributions (2023) as non-statutory policy. Planning obligations assist in mitigating the impact of development which benefits local communities and supports the provision of local infrastructure.

43. In a two-tier council area, authorities are expected to work together to agree the appropriate funding priorities and mechanisms to support planned growth. Approval of the Guidance is supported by Hampshire local planning authorities, many of which are keen to continue working together on refining the evidence base required to support obligations towards County Council infrastructure.

44. Up to date and robust evidence is continually required to support the seeking of planning obligations and approval is sought to keep the Guidance up to date, with revisions approved by the Director of Hampshire 2050 under delegated authority.

45. The cost of preparing, coordinating, and implementing the Guidance is covered by the existing revenue budgets of relevant services, and led by the Spatial Planning team. Adequate resources to operationally support the system of securing, collecting and monitoring planning obligations is necessary to deliver the commitments and level of service outlined in the Guidance.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Changes to the Planning System, Major Developments and Infrastructure Funding	<u>Date</u> 29 September 2020
Direct links to specific legislation or Government Directives	
<u>Title</u> Community Infrastructure Levy Regulations (2010) (as amended).	<u>Date</u> 2010

Section 100 D - Local Government Act 1972 - background documents	
<p>The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)</p>	
<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

Equalities Impact Assessment:

Whilst the Guidance provides a policy basis for seeking infrastructure, it does not however deliver change itself. Therefore, whilst infrastructure schemes (e.g. extra care housing) are expected to have positive impacts on the protected characteristics of age and disability, they will be subject to their own Equalities Impact Assessment as schemes progress to delivery. This decision therefore has the potential to contribute to a positive impact for age and disability, and a neutral impact for other statutory protected characteristics. The decision could also have a positive impact on those in poverty, as the guidance supports the provision of social infrastructure, and also rural residents, through contributions to green space and public rights of way.

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Guidance on Planning Obligations and Developer Infrastructure Contributions

Part 1: Introduction and guidance overview

December 2023

Summary

- This document sets out the County Council's approach to seeking contributions towards County Council services and infrastructure where there is a demonstrable impact on that service, or infrastructure created by new development which needs to be addressed.
- This Guidance can be used to ensure that infrastructure and services provided by the County Council are taken into account as development proposals and strategies are developed. It sets out the legal, policy and planning context in which the County Council may seek planning obligations and the mechanisms by which it may do so.
- It has been formally approved by the County Council as a non-statutory policy document.
- This introduction and overview (Part 1) is supported by detailed guidance on individual County Council service areas (**see parts 2-9**), including contact details for further information. The individual Guidance documents are provided as an online web-based resource and will be updated as required.

Infrastructure topic	Scope of the guidance	Email contact
Part 1 - Strategic Planning & Infrastructure (Guidance overview)	Background and practical guidance on securing and spending contributions	Developer Contributions (Spatial Planning) spatial.planning@hants.gov.uk developer.contributions@hants.gov.uk
Part 2 - Specialist housing	Primarily extra care accommodation to address unmet needs	Adult Services / Supported & Extra Care Housing extracare@hants.gov.uk
Part 3 - Children's Services Facilities	Education provision including new schools, extension to schools and provision for those with Special Educational Needs & Disabilities	Strategic Planning Unit strategicplanningunit@hants.gov.uk www.hants.gov.uk/educationandlearning/strategic-development
Part 4 - Highways & Transport	Assessing and mitigating the impacts of new development on the highway and measures to encourage the use of sustainable transport modes	Highways Development Planning highways.development.control@hants.gov.uk
Part 5 - Countryside, Public Rights of Way & Green Infrastructure	Improvements to Public Rights of Way and the Green Infrastructure network	Countryside Service countryside@hants.gov.uk
Part 6 - Libraries	Contributions towards improving the stock and services on offer at local library facilities and discovery centres	Library Service, Children's Services county.library.hq@hants.gov.uk
Part 7 – Waste Management Infrastructure	Provision for household waste recycling infrastructure to support housing growth	Waste Management (Universal Services) waste.prevention@hants.gov.uk waste.management@hants.gov.uk
Part 8 - Public Health	Advice on how to plan for healthy, inclusive and safe places (cross-cutting)	Public Health public.health@hants.gov.uk
Part 9 - Flood & Water Management	The use of SuDS in new developments and the need for landowners and developers to seek consent for work to Ordinary Watercourses	Flood & Water Management team (Universal Services) fwm@hants.gov.uk

Introduction: Infrastructure Planning in Hampshire

1. Hampshire is one of the largest counties in the country with an estimated population of 1.41 million people in 2020. It is an area of significant growth, with a booming economy and growing housing pressures. Longer term projections (Hampshire County Council POPGROUP forecasting model) suggest that by 2050, the population could exceed 1.78 million; an increase of 26%. The need for supporting infrastructure in Hampshire is essential. Hampshire County Council delivers around 80% of the public services received by Hampshire's population. Providing these services equates to a spend of approximately £2.1bn a year.
2. The term 'infrastructure' can describe new roads, bridges, sewers and schools, as well as the wider range of social and community facilities much valued by local communities such as community and health facilities, libraries, country parks and a range of other facilities which maintain and improve people's quality of life. The delivery of infrastructure and services is likely to continue to be extremely challenging in view of reducing budgets and increasing demands on public services.
3. The County Council's aim is to ensure that necessary infrastructure is delivered at the right time so that development does not have an adverse impact on existing or new communities. This 'Guidance on Planning Obligations and Developer Infrastructure Contributions' (hereafter the Guidance) provides information for new developments within Hampshire, aligned to the National Planning Policy Framework's aim to support sustainable development. The County Council promotes a consistent and transparent approach to infrastructure provision, seeking to ensure development addresses increased demands on, and the need for new, infrastructure provision, and to support sustainable growth within the county.
4. Hampshire is a two-tier area which means often development contributes towards County Council delivered infrastructure (e.g., transport) and local authority infrastructure (e.g., community centres and open space). There are 11 local planning authorities and parts of two National Park Authorities sitting within the Hampshire Boundary. Southampton and Portsmouth City Councils, whilst located within the geographical county of Hampshire, are unitary authorities and will have their own policy and guidance on infrastructure.
5. In terms of the planning system and infrastructure delivery, in a two-tier area, the County Council and the local authorities have different statutory responsibilities. The County Council has responsibility for delivering the majority of the public infrastructure and services on which those developments will rely, which includes:
 - Sustainable travel, highways & transport;
 - Countryside and Public Rights of Way
 - Education & Schools;
 - Waste Management (e.g., household waste recycling centres);
 - Flood & Water Management and Sustainable Drainage Systems;
 - Public health initiatives to improve the health of the population;
 - Specialist housing (adult social care, extra care & supported housing); and
 - Library services.

6. The following infrastructure is typically dealt by the relevant district or borough council in which the development is planned or proposed:
 - affordable housing (which can be funded and delivered as part of commercial housing schemes);
 - leisure and recreation (including open space)
 - community facilities
 - habitat mitigation
7. It is essential that development plans and planning application processes consider the infrastructure and services for which the County Council is responsible, and on which new development relies to provide a high quality, safe and healthy environment for residents and new communities. To assist this, it is important that the County Council is involved in the earliest stages of evidence gathering and policy formulation in order that these important matters are fully incorporated into future plans and decision making across the county. This Guidance can be used as reference point and to inform these discussions.
8. The Guidance is not a statutory planning document, although it provides information to enable both developers and local authority officers and planning committee members to understand the infrastructure cost and requirements likely to be required to mitigate the impacts of development.
9. The Guidance can be used:
 - To inform the preparation of local plans, supplementary planning documents, site-specific planning briefs
 - To contribute towards the evidence required for those local planning authorities that are operating a Community Infrastructure Levy (CIL).
 - To support negotiations with developers and landowners on planning obligations during the process of determining planning applications
 - By landowners and developers to review the guidance on infrastructure mitigation and contributions in considering development costs and viability.
 - By local planning authorities when weighing up and balancing the identified infrastructure requirements with competing requirements and issues when considering planning applications.
10. When using this Guidance, it is important to note:
 - It should not be assumed that compliance with the Guidance will necessarily result in County Council support for development proposals; nor that planning permission will be granted by the relevant local planning authority. The Guidance is not an exhaustive list and the exact requirements for planning obligations will be decided on a case-by-case basis with the individual circumstances of each site being taken into consideration.
 - The County Council will only seek the provision of infrastructure or financial contributions towards its provision where this is justified and appropriate, in accordance with planning principles and legislation.

- The County Council will provide an appropriate justification for each obligation it seeks in line with the legal and regulatory tests (i.e., obligations must be necessary to make the development acceptable in planning terms; directly related to the development; and fairly and reasonably relate in scale and kind to the development proposed).

11. This Guidance is a useful reference point for information on the County Council's role in:

- The pre-application stage
- S106 legal agreements
- Monitoring of obligations due to be met
- Reporting expenditure of financial contributions
- Infrastructure delivery
- Setting and charging a Community Infrastructure Levy (CIL)

The Planning & Legal Context: Planning Obligations

12. The terms 'developer contributions', 'planning obligations', 'section 106 (s106) agreements', 'section 278 (s278) agreements' and 'Community Infrastructure Levy' (CIL) are means of ensuring that new development is accompanied by the infrastructure necessary to serve it, and such obligations are also known as 'planning gain'. Planning obligations are a mechanism to make otherwise unacceptable development proposals, acceptable to the determining authority.
13. Further guidance on planning obligations is provided in the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (NPPG) and this document does not seek to duplicate national policy and guidance on obligations.
14. This Guidance is intended to support compliance with legislation setting out when planning obligations can lawfully be sought by the local planning authority (notably Regulation 122 of the Community Infrastructure Levy Regulations (2010) (as amended)). For example, guiding local authorities about how developer infrastructure contributions can assist in mitigating the impact of unacceptable development, by demonstrating obligations are directly related to the development, based on evidence of need.
15. The County Council is not a charging authority for CIL. Charging authorities may pass money to other bodies to deliver infrastructure which will benefit the development of their area, and in two tier areas this includes the county council, for example for education infrastructure. National guidance identifies a role for county councils in the CIL process. The NPPG notes (paragraph 014, Reference ID 25-014-20190901) that: "County councils are responsible for the delivery of key strategic infrastructure. Charging authorities must consult and should collaborate with them in setting the levy and should work closely with them in setting priorities for how the levy will be spent in 2-tier areas."
16. Developers (or other planning applicants) may be liable, in many circumstances, to pay CIL charges in CIL charging areas, and also enter into s106 agreements in respect of the same development proposal. To secure contributions towards necessary infrastructure, it is generally the County Council's preference to use s106 agreements, rather than relying on any presumption that funding from CIL collected by local authorities would be available to fund

necessary infrastructure.

17. In Hampshire most local planning authorities operate a levy (CIL). Currently, Eastleigh, Hart, New Forest National Park and Rushmoor local planning authorities do not operate a CIL. In these four authorities, therefore, only planning obligations are sought.
18. As required by the Community Infrastructure Levy Regulation Amendments 2019, all contribution receiving authorities are required to publish an annual Infrastructure Funding Statement (IFS), by 31 December. Hampshire County Council published its first Infrastructure Funding Statement in December 2020 and updates this annually. The IFS provides a comprehensive summary of the developer contributions secured, received, allocated and spent in the previous financial year by Hampshire County Council. The publication of this information is intended to increase transparency as to how this income is utilised to deliver essential infrastructure across Hampshire.
19. Table 1 is extracted from the Infrastructure Funding Statements and illustrates the level of funding negotiated and secured in section 106 agreements in accordance with this Guidance across service areas in recent years.

Table 1 – Sum of developer contributions funding secured through legal agreements by the County Council in previous financial years (source: Infrastructure Funding Statements, Hampshire County Council)

	2019/20	2020/21	2021/22
Total contributions agreed in s106 legal agreements	£4.43m	£5.98m	£12.1m

20. The Levelling Up and Regeneration Act 2023 includes a new Infrastructure Levy which is intended to become the primary mechanism for securing and collecting developer funding for infrastructure. Whilst it is anticipated that section 106 will still be used for larger sites, the Levy will largely replace section 106 and the Community Infrastructure Levy. The introduction of the Infrastructure Levy requires secondary legislation, regulations that will set out exactly how it will operate. The government has indicated that the Levy will be rolled out over a long period of time, hence the need for this guidance to assist with planning obligations in the intervening period.

Evidence for Infrastructure Delivery Plans

21. To assist local planning authorities both in local plan preparation and the determination of planning applications the County Council can provide information on infrastructure needs and planned delivery at a local level. To facilitate this, the County Council has previously produced a Hampshire Strategic Infrastructure Statement. This aims to present information relating to the additional infrastructure needed to support future planned development across the county. It focuses on those types of infrastructure which the County Council and its public sector providers have a role in planning, coordinating and in some instances delivering. See link below to the 2019 Statement which illustrates the infrastructure topics that the County Council can advise on.
22. Local planning authorities are encouraged to contact the County Council for the latest evidence to assist the preparation of Infrastructure Delivery Plans, and this Guidance will be updated to signpost to latest reports and evidence. The County Council's spatial planning team can facilitate collating data to inform the following at the local authority level:

- What is the current capacity, i.e. existing level of use, of a particular piece of infrastructure?
- How much additional development could that infrastructure accommodate?
- What, if anything, needs to be done to achieve that?
- What would be the costs associated with increased provision and how might these be met?
- What is the likely timescale to increase provision?

Practical Guidance on Planning Obligations and Developer Infrastructure Contributions

23. This section provides guidance on:

- How the County Council monitors planning obligations
- Providing advice at pre-application stage about obligations and contributions
- Engagement in assessing and determining planning applications
- Other advice for developers
- Protocols and procedures for s106 legal agreements
- Mitigation and strategic scale developments
- Land, building and contributions in kind

Legal Agreement Fees

24. For section 106 agreements for which the County Council is a signatory, it charges the following fees:

- Legal fee
- s106 monitoring fee
- 'Director's fee' (commonly referred to as a highways development control fee) (where applicable).

25. Depending on the scale of development, the County Council may secure travel plan fees to cover the cost of approval and ongoing evaluation and monitoring by the County Council where a travel plan is required (see Further Information below). A travel plan aims to reduce the number of people travelling by car alone and requires monitoring of its effectiveness. This travel plan monitoring fee is separate and additional to the s106 monitoring fee.

26. A planning obligations monitoring fee is based on the estimated time related to the administration, monitoring, management and reporting of each planning obligation. The monitoring fee is **£650 per individual obligation secured** (including individual contribution instalments where there are phased payments related to triggers). The fee is capped at £10,000 per agreement for 23/24 financial year. The fee amount and cap are kept under annual review.

27. The monitoring fee has been set at a level which covers the reasonable cost of providing the monitoring of obligations across the County Council. It applies to each obligation secured by

the County Council within a s106 legal agreement and will be payable on completion of the legal agreement. The County Council's monitoring fees are separate from any monitoring fees charged by lower tier authorities (district and borough councils) for their respective obligations.

28. The County Council also charges a highways development control fee to contribute towards the staff costs associated with the progression and negotiation of obligations and legal agreements by highways officers. If applicable, the fee is payable alongside the monitoring fee on completion of the legal agreement. The fee is applied on a sliding scale based on a proportion of the value of the financial contribution and/or highway works as follows:

Table 1 Level of Director's fee (highways development control fee) required for Hampshire County Council's management of legal agreements

Value of works and / or contribution	Fee
£0 - £49,000	£900 + 1%
£50,000 - £99,999	£1,100 + 0.75%
£100,000 - £499,999	£1,550 + 0.5%
£500,000 – unlimited	£2,750 + 0.25% (subject to £5,000 maximum)

29. Preparing a draft agreement, negotiating amendments, and executing the agreement requires input from the County Council's Legal Services Department. The County Council will seek to recover its full legal costs from developers by way of a solicitor's undertaking and will also include an obligation within the s106 agreement. Any legal costs incurred are required to be recovered, regardless of whether the s106 agreement proceeds to completion.
30. Additional costs may be sought for the involvement by other officers in the relevant County Council department for time spent negotiating their respective elements of new legal agreements. Monitoring fees and legal costs must be paid by the applicant by completion of the s106 agreement.

Consultations on Planning Applications

31. The NPPF (paragraph 38) highlights the importance of early engagement in improving the efficiency and effectiveness of the planning application system for all parties. The County Council welcomes early discussions with developers, either separately, or as part of any pre-application discussions with the local planning authority, to help identify and resolve key issues and potential impacts on County Council services and infrastructure before planning applications are submitted.
32. Further guidance on the means of engaging with individual County Council departments in pre-application discussions, and what level of service developers can expect from those departments, are set out in the Guidance (parts 2-9).
33. The County Council has many interests in planning applications that are dealt with by the lower-tier planning authorities and National Park Authorities within Hampshire. This is both as a local planning authority in its own right, a statutory consultee in key service areas but also as an upper-tier authority, responsible for providing a wide range of infrastructure and services for Hampshire communities.

34. The County Council provides important services on which communities depend and plays a key role in place-shaping across Hampshire. Early engagement by local planning authorities and applicants on development proposals which might impact on County Council services and responsibilities is encouraged. A number of services and responsibilities directly relate to the development and use of land and the early involvement of the County Council in the formation of development opportunities can result in better outcomes for both the development process and local communities.
35. The following topic-specific Guidance (parts 2-9) provides information about when the County Council wishes to be consulted.
36. Planning authorities are encouraged to seek a coordinated response from the County Council as a consultee on planning applications where it is considered useful. For example, consultations on major planning applications can be sent electronically via email to planningconsultations@hants.gov.uk to receive a single, coordinated response from the County Council. This would replace the need to consult statutory consultees directly, as these comments would form part of the corporate response.
37. For clarity, the County Council is a statutory consultee in respect of its roles as a local highway authority, lead local flood authority and as a local planning authority. Legislation sets out which planning applications the County Council needs to be consulted on in respect of these statutory roles.
38. The County Council's response may advise the local planning authority:
- how the development would impact on strategic infrastructure and services;
 - how planning obligations will assist in mitigating the impact of unacceptable development to make it acceptable in planning terms;
 - any opportunities to enhance existing or provide new infrastructure and services; and
 - how the development and any need for mitigation would help achieve sustainable development and place-shaping objectives.
39. The County Council will only seek planning obligations where they accord with the CIL Regulations (as this relates to the use of planning obligations) and relevant planning policies. All consultation responses to planning applications regarding the requirements to potentially secure a planning obligations will be in accordance with this Guidance.
40. Section 106 agreements are drafted when it is considered that a development will have impacts that cannot be managed by means of conditions attached to a planning decision. Section 106 agreements are often necessary when financial contributions are required- this is because planning conditions cannot require the payment of money or other consideration when granting planning permission.
41. Where planning obligations are sought by the County Council, it will provide the necessary justification to demonstrate that the anticipated impact by the development cannot reasonably be accommodated within existing infrastructure and that the obligations sought meet the requirements of the CIL Regulations. Examples of planning obligations that the County Council seeks include:
- financial contributions towards providing new infrastructure, or improving or expanding existing infrastructure where appropriate;
 - the delivery of works of improvement on the highway;

- the dedication of land to the public as public highway;
 - the direct provision of services, land, and buildings; and
 - payments towards ongoing maintenance and service delivery costs (i.e. commuted sums in the highway context).
42. The local planning authority is responsible for considering the County Council's advice against other material planning considerations and the compliance of the application with the development plan. The local planning authority must consider whether the infrastructure contributions sought are reasonable and accord with the requirements of the CIL Regulations, in addition to balancing the viability of the development against the infrastructure requirements.
43. In situations where developers seek to challenge the County Council's requested contributions on viability grounds, the County Council's expectation will be that the developer should provide an 'open-book' independent financial viability assessment before it will consider modifying its standard requirements (see below). That assessment should clearly demonstrate the individual financial assumptions and calculations that have been made and should clearly show that the reason for the developer claiming a lack of viability is not because they have paid too much for the land (NPPG Viability Guidance).
44. In cases where a local planning authority does not accept or pursue the County Council's request for contributions, the County Council would expect to be notified with the reason(s) and provided with an opportunity to address the issue in a timely manner.

Development Viability

45. Local planning authorities are required to take care that the combined impacts of seeking the totality of planning obligations (whether secured through s106, s278 or CIL) does not adversely impact on development viability.
46. The NPPF (paragraph 58) and NPPG make it clear that, once assessed through the local plan process, contributions from development should be assumed to be viable. It is the responsibility of developers to engage in that process to ensure they accurately reflect real world considerations. The price paid for land is **not** a justification for failing to accord with policies in the local plan.
47. The County Council will work with local planning authorities at the plan-making stage to ensure that the required infrastructure and services are factored into viability assessments to ensure that allocated sites and local plans in their entirety are deliverable. In order to assist with this process, the County Council's Spatial Planning team will work with local authorities to identify the potential pressures from planned future development on existing infrastructure and services operated by the County Council and partner organisations, and the measures likely to be necessary to mitigate that pressure.
48. Developer contributions sought by the County Council at the planning application stage are assumed to be affordable and deliverable without adversely affecting the viability of development, unless developers can demonstrate otherwise, having followed the principles set out in the NPPF and PPG, to the County Council's satisfaction.
49. There may be circumstances where flexibility is required to enable schemes to be delivered which are demonstrably marginally viable. For example, there may be scope to collect contributions in instalments or to phase payments later in the development process.

50. Where viability is demonstrated to be an issue, the County Council requests that a review mechanism is included in a s106 requiring periodic viability assessments throughout the life of the development as set out in the NPPG Viability Guidance.

Legal Agreements

51. If a s106 agreement is required, the County Council and the local planning authority will agree obligations with the developer covering matters such as:
- Payment (amount, timing) of financial contributions;
 - How to use financial contributions and any land required for specific purposes;
 - Placing contributions received in interest bearing accounts; and
 - Returning unused contributions after an agreed period. This is ordinarily ten years but is dependent on the complexity and size (phasing) of the development.
52. The County Council will be a signatory to s106 legal agreements which contain obligations relating to services which are its responsibility. Being a party to a s106 agreement enables the County Council to directly monitor and enforce obligations.
53. The County Council will collaborate with local planning authorities to ensure that drafting can be progressed in a timely manner.
54. In most cases, the developer or local planning authority will provide a first draft of the legal agreement containing the clauses required to deliver the requested obligations. The County Council will then add any clauses necessary to secure obligations in respect of its statutory interests.
55. Once completed, the s106 legal agreement will be recorded by the local planning authority on the planning register, as land charges and may be registered against title at the Land Registry. Both the County Council and the local planning authority will then monitor compliance with the agreement.
56. Under section 106 of the Town and Country Planning Act 1990 (TCPA 1990), a person with an interest in land can enter into a planning obligation either with the agreement of the Council or through a unilateral undertaking.
57. This standard document is a unilateral undertaking to pay the County Council a financial contribution. The Council is not a party to the document. Unilateral Undertakings can also arise as a consequence of the appeal process. Whilst not a signatory to a unilateral undertaking, the County Council would ideally and preferably be involved in drafting of the undertaking, to ensure obligation terms are appropriate.

Start dates, phased payments and triggers

58. The triggers for the payment of contributions will generally be linked to commencement of works and/or first occupation. For larger or phased developments, contributions may be payable in multiple instalments and therefore at various occupation milestones, either for the entire site, or linked to progress of specific phases. Triggers for payment will be decided on a case-by-case basis.
59. In some of the larger strategic scale developments, it can be appropriate for cash flow and viability reasons for payments of large financial contributions to be phased. The County

Council will require the last payment to be made well in advance of the development completion, and this will be reflected in the drafting of the legal agreement.

60. Contributions that are not paid by the specific trigger date for payment, may result in the County Council having to borrow funds to forward-fund provision of new infrastructure in advance of the development being fully occupied. To cover this, interest charges are incurred for late payments and each s106 agreement contains a 'late payment interest (LPI)' clause as standard, which allows the County Council to collect LPI on any contributions not paid on time in accordance with legal agreement.
61. The late payment interest charge is usually 4% above the Bank of England base rate and it accrues daily until payment is received. This charge does not replace the cost correction achieved through index-linking and does not form part of the contribution itself. It is non-refundable. It is also important to note that LPI charged on the developer is separate from the interest that is earned on the contribution whilst it remains in the County Council's interest-bearing account after payment is received.
62. The County Council will ensure that contributions are spent in a timely manner to mitigate the impacts of development, and the majority will be spent within ten years of receipt. Where this is not possible financial contributions will be returned in accordance with terms of the legal agreement. For example, in some circumstances the funding needs to be pooled with other contributions and/or infrastructure needs to be delivered at the latter phases of a scheme.
63. Agreements will include clauses stating when funds will be used and allow for their return after an agreed period if they are not used. To date this has typically been a period of ten years and depends on the scale of the development and phasing programme.
64. The County Council may, in consultation with the signatories to the legal agreement, seek to negotiate a variation to the principal legal agreement to ensure that any negative impacts of development continue to be appropriately mitigated.

Payment of financial contributions

65. Once a contribution has been determined it must be future proofed against infrastructure cost inflation, through index-linking. The appropriate index for each type of contribution will be used based on what the funding is secured for, and as advised by the County Council's construction specialists. In each case the indexation must be calculated from date the costing is based, up until the date of payment. Historically, the base date for the indexing of certain obligations was taken as the date the agreement was signed/ or permission was issued.
66. Contributions will be index-linked up until the date of payment in order to mitigate against the increased costs of infrastructure construction therefore. The County Council will calculate the uplifted contribution due.
67. For new building work, the County Council typically index financial contributions to the All-in Tender Price Index of Building Cost Information Services (BCIS) published by the Royal Institute of Chartered Surveyors (RICS), taking into account the Regional Factor for Hampshire at the date of payment. The BCIS also publish forecasted indices which can assist in more accurately estimating the value of future contributions. The school construction costs set out in Part 3 of this Guidance, are updated to the latest BCIS All-in Tender Price Index as guided by the latest National School Delivery Cost benchmarking publication.
68. Contributions payable in relation to the County Council's clauses in a s106 agreement will be paid directly to the County Council, unless otherwise specified. Occasionally it is appropriate that contributions are paid to the local planning authority, and transferred to the County

Council so that the monies can be spent on their intended purpose. The County Council monitors expenditure to ensure that financial contributions secured through s106 planning obligations are spent in accordance with the terms of the legal agreement.

69. In certain cases, there may be instances where s106 monies will need to be transferred to other organisations, such as academies or community groups. Where this occurs, the County Council will enter into a separate legal agreement with the organisation, which specifies the amount to be transferred, terms of use, project details and clawback arrangements to ensure monies are spent in accordance with the terms of the s106 agreement.
70. In circumstances where there is a risk that mitigation works secured in a legal agreement would be delayed, the County Council may request security from the developer, through a bond provider, to protect payment in the event of insolvency.

Land, Building & Contributions In-Kind

71. In some cases, developers may wish to make direct provision of infrastructure rather than financial contributions, or the County Council may require land to be transferred to its ownership under a s106 agreement. Examples of such land transfers could include for provision of new or expanded schools or related facilities, libraries or community facilities, or for land to be dedicated as highway or for transport-related facilities.
72. During pre-application discussions the County Council will work closely with the applicant and the local planning authority to identify potential locations that provide the best location for the infrastructure under consideration. Any land that is intended for public use must be safe and fit for purpose and any costs related to remediation will be borne by the developer.
73. Issues which will need to be examined include:
 - ground conditions;
 - sources of contamination;
 - flood risk; and
 - the proximity of incompatible land uses.
74. When a land transfer is required, the relevant legal agreement would typically include a ten-year option period during which the County Council can require transfer of the land. In some cases, a set trigger in the implementation of the development is agreed for the transfer. In others, additional land may be safeguarded over and above that needed to mitigate the impacts of the development to future-proof the infrastructure provision and enable expansion (e.g., of schools) as necessary. Where this latter approach is followed, a date will be agreed by which any safeguarded land is required to be transferred. The land will in most cases be expected to be provided at a nominal cost of £1. It is important that the agreement is sufficiently flexible on timescales to provide adequate time for the County Council to ensure the best timing for the delivery of the new facility.
75. If the County Council has not entered into contracts to provide the facility for which the land is required within ten years of transfer, (or any other period as agreed depending on the circumstances), then the land will be handed back to the developer. Developers are advised to consider acceptable alternative uses for the site in the event that it is not used as originally intended.

Monitoring and Review of the Guidance

76. This Guidance has set out the County Council's role in the delivery of infrastructure and services to those who live and work in Hampshire and its expectations in terms of the delivery of infrastructure in association with new development.
77. It has set out the legal and policy justification for those expectations and information on the mechanisms and process by which infrastructure and the funding for infrastructure should be provided by developers.
78. While the County Council is a provider of a great many of the services relied upon by Hampshire residents it is not, other than in respect of minerals and waste development or applications that meet the requirements for Regulation 3, a local planning authority or a CIL collection authority. Those roles are performed by the local planning authorities operating at the lower tier across Hampshire. The draft Guidance has been produced to recognise that split in responsibility and to facilitate joint working, collaboration and co-operation between the public authorities and with landowners, developers and all others involved in the development of land to ensure the timely and effective delivery of the new and improved infrastructure made necessary by new development.
79. The County Council will regularly update this Guidance and the individual topic- specific Guidance documents which will be produced separately. The most up to date version of the document will always be placed on the Infrastructure Planning page of the County Council's website. Parts of the Guidance will be added, updated and amended as circumstances require and resources allow. Where edits to the Guidance have been made since its original publication, these will be listed.

Further Information

80. For further information or guidance, please contact either the County Council's Strategic Planning Team on planningconsultations@hants.gov.uk or any of the specific teams via the details provided in the Guidance Parts 2-9.
81. All documents referred to within the Guidance sections are listed in a table at the end under *Further Information*. Hyperlinks included will be kept under review to ensure the information is accessible.

Contact planningconsultations@hants.gov.uk (infrastructure information)
developer.contributions@hants.gov.uk (planning obligations information)

Infrastructure Funding Statement	Hampshire County Council	www.hants.gov.uk/landplanningandenvironment/developer-contributions	Link checked Nov 2023
Hampshire Strategic Infrastructure Statement.	Hampshire County Council	www.hants.gov.uk/landplanningandenvironment/strategic-planning/infrastructure-planning	Link checked Nov 2023
Population forecasting	Hampshire County Council	www.hants.gov.uk/landplanningandenvironment/facts-figures/population	Link checked Nov 2023
National Planning Policy Framework (updated Sept 2023)	Department for Levelling Up, Housing and Communities	National Planning Policy Framework - GOV.UK (www.gov.uk)	Link checked Nov 2023
National Planning Policy Guidance	Department for Levelling Up, Housing and Communities	Planning practice guidance - GOV.UK (www.gov.uk)	Link checked Nov 2023
Travel plan fees	Hampshire County Council	https://www.hants.gov.uk/transport/developers/travelplans/assessment	Link checked Nov 2023

Guidance on Planning Obligations and Developer Infrastructure Requirements

Part 2: Specialist housing needs

Summary

- The County Council works in partnership with housing and health partners, local planning authorities, service providers and residents to respond to housing needs including accommodation for people with care and support needs.
- This County Council can provide guidance on planning to meet a range of non-mainstream housing needs:
 - Residential and nursing home
 - Younger Adults' Extra Care housing
 - Older Adults' Extra Care housing
 - Supporting living
 - Children's residential care
- Developers and local planning authorities are encouraged to discuss specialist accommodation provision and proposals at an early stage with the County Council's Extra Care team (Adult Services).
- The provision of Extra Care housing to allow individuals' care needs to be met in a housing setting is a County Council priority which underpins its ambitions relating to prevention (of individuals needing care), independence and accommodation. The County Council's focus is on those with the greatest needs and least ability to pay which mean particular emphasis on providing affordable housing (as defined in the NPPF). Extra care housing is needed for both younger and older adults.
- Local planning authorities play a key role in provision through their housing enabling activity and regulatory policies in local plans, allocating sites in local plans which are sufficiently large and able to accommodate a range of specialist, accessible and Extra Care housing needs, and in the decisions they make on planning applications proposing strategic scale development.

Infrastructure Needs & Planning Background

1. The County Council's statutory responsibilities for adult social care are set out in three main pieces of legislation:
 - The Care Act 2014;
 - The Mental Health Act 1983; and
 - The Mental Capacity Act 2005.
2. As the overarching piece of legislation, the Care Act 2014 lays down new

responsibilities and extends existing responsibilities including protecting (safeguarding) adults at risk of abuse or neglect and preventing the need for care and support. Hampshire County Council is the public authority legally responsible for the provision of social care for adults in Hampshire.

3. The Care Act 2014 places a duty on local authorities to ensure that there is diversity and quality in the supply of care providers so that there are enough high-quality services for eligible people to choose from. Local authorities must also ensure that no vulnerable person is left without the care they need. The Care Act moved the focus of care provision from one of providing defined services, to one of 'meeting needs', giving authorities more flexibility and scope to work collaboratively with other services to fulfil these duties.
4. There is also a duty on the County Council to cooperate with other statutory services, including housing and health authorities, to bring forward the aims of the Care Act, including ensuring that people with support needs are adequately and safely housed.
5. The National Planning Policy Framework (NPPF) aims to ensure that the planning system delivers a sufficient supply of new homes to meet identified needs. It requires planning authorities to undertake local housing needs assessments so that the size, type and tenure of housing needed for different groups in the community are properly assessed and reflected in planning policies. Paragraph 62 identifies that these needs should include a range of households types (e.g. families with children); different households needs (e.g. people with disabilities) and specialist needs such as older people whose housing needs may not be met by the housing market.
6. In Hampshire, Local Planning Authorities are continually commissioning and publishing up to date evidence on housing needs, and this guidance should be read in conjunction with those local assessments.
7. National Planning Practice Guidance (NPPG) (last updated 2019) on "Housing for older and disabled people explains why it is important to plan for the needs of older people and those with disabilities. The need to plan specifically for the housing needs of older and disabled people is due to the gradual ageing of the population and the substantial projected increase in the elderly population over the next 20 years, in particular with the over-85 cohort (NPPG, 2019). Older people are defined in the NPPF Glossary as:

"People over or approaching retirement age, including the active, newly-retired through to the very frail elderly; and whose housing needs can encompass accessible, adaptable general needs housing through to the full range of retirement and specialised housing for those with support or care needs."
8. The provision of appropriate housing to meet the housing needs of disabled people is considered crucial to help them live safe and independent lives. An ageing population will see the numbers of disabled people continuing to increase and it is important we plan early to meet their needs throughout their lifetime.
9. There are different types of specialist residential accommodation for older people which the planning system might help deliver (noting any single development may contain a range of different types of specialist housing):

- Age-restricted general market housing
 - Retirement living or sheltered housing
 - Extra care housing or housing-with-care
 - Residential care homes and nursing homes
10. A Ministerial Statement in May 2023 confirmed that local planning authorities should also consider whether it is appropriate to include accommodation for children in need of social services care as part of their local plan housing needs assessment. The County Council's Children's Services team can advise on the provision of residential care and data forecasting.

Existing Provision: Specialist Housing in Hampshire

11. In 2018, the County Council's Adults Health & Care Strategy identified that the County Council cared for and supported 1,600 people in Council owned and run nursing and residential homes. The County Council currently commissions care in a number of supported living schemes which include a mixture of different housing types. Schemes are owned by Registered (Social Housing) Providers with care provided by Care Quality Commission registered domiciliary care providers who provide 24/7 care and support. The County Council offers a network of care homes, respite and day centres across the county (see *Further Information* below).
12. The Adults Health and Care Strategy 2023 reports that investment in Extra Care housing is enabling 900 people to live where they have the balance of privacy and the support they want, pointing to projects at Romsey, Gosport and New Milton. The County Council has commissioned over 900 Extra Care units (homes) across 20 sites to date. They are either operated by Registered Providers or District, Boroughs and City Councils, with care provided by County Council commissioned CQC registered care providers. These are predominantly 1 bed units, some 2 bed units, with the majority being affordable or social rent. The location of schemes open to people who are eligible for Council commissioned Extra care can be seen in the Hampshire County Council Extra Care Housing webpage (see *Further Information* below).
13. Those older people who are able to self finance their care and support, will have their specialist housing needs met by the privately-run schemes around the County. Information on these schemes can be found on the Elderly Accommodation Counsel (EAC) Housing Care website or via the EAC's 'HOOP' app (Housing Options for Older People).
14. The County Council currently commissions care in 197 Supported Living Schemes which include a mixture of different housing types to accommodate adults with disabilities and complex care needs (2022 figures). Schemes are owned by Registered (Social Housing) Providers with care provided by Care Quality Commission registered domiciliary care providers who provide 24/7 care and support.
15. In terms of accommodation for looked after children (children's residential care), there are five homes which cater for children and young people with long-term needs, and these homes serve the whole County rather than their local area specifically.

Strategic Background

16. An overview of the County Council's strategy in facilitating and commissioning specialist accommodation is set out in the 2023 Adult Health and Care Strategy. Further detail is provided in the Younger Adult Extra Care Housing Brochure (2022), the Older Adults Extra Care Housing Brochure (2022), and the 2021 Physical Disability Services market Guidance (See *Further Information* below).
17. The vision remains unchanged- to help Hampshire residents to live long, healthy and happier lives with the maximum possible independence. The Adult's Health and Care Strategy (2023) explains the County Council's duty of care under the Care Act 2014 to shape the local care market. The County Council is supporting providers to better understand supply and to meet demand especially as more people have control over their own care and support by being self-funders, or through personal budgets strategy of facilitating accommodation-based services and directly operating a suite of residential and nursing homes partly to complement and add to market provision.
18. Alongside investment to modernise and update this accommodation stock, Extra Care Housing schemes are a fundamental and growing component, enabling people with high levels of support needs to live in the community but with care support on site.
19. Certain health conditions can make it very difficult for some people to stay in their own homes regardless of what provision or adaption is made to meet their needs. Accordingly, there is an increasing need for this supported accommodation, such as Extra Care housing both for older and for younger adults and for supported living. Extra care housing can normally be categorised as specifically designed housing for older adults (typically those over the age of 55) and younger adults (over the age of 18) who often may have a pre-existing need, for instance a learning disability. Each category normally has distinct development characteristics and requirements.
20. According to Age UK, Extra Care housing (sometimes called "assisted living") is a type of housing with care which means that a resident retains independence while they can also be assisted with some tasks of day to day living. It offers more support than sheltered housing (which is essentially a private flat in a communal building with communal space, a warden and social activities for residents), but still allows the resident to live independently.

Obligations and Developer Infrastructure Contributions

21. The County Council's responsibility is for the provision of affordable Extra Care housing, normally for affordable or social rent. In delivering Extra Care through the planning system, the objective is to work with district and borough housing enabling teams to achieve a mixed and balanced community. This means taking a broad view of affordable housing, as defined in the National Planning Policy Framework (i.e. housing for sale or rent, for those whose needs are not met by the market. This definition of affordable housing includes low cost home ownership and includes shared ownership homes.

22. Demand remains high for Extra Care schemes commissioned by the County Council, and it is working closely with district and borough councils (as local housing authorities) to ensure schemes best meet local housing and care needs. The County Council works with local authorities and other partners to facilitate and commission specialist accommodation. Its particular focus is the delivery of affordable housing, which the private market is otherwise unable to provide for and where there is evidence of need.
23. The challenge for social care commissioners and housing authorities is providing housing support and care for people in a way which offers choice for younger adults with a disability and ensures the aspirations and needs of an ageing population can be met. Whilst there is a maturing private market for the delivery of specialist accommodation for older people, there often remains an affordability gap for many people (of all ages) who are in need of specialist housing with care. The County Council is therefore developing a new commissioning model to support the market to deliver Younger Adults Extra Care for the future. This seeks to provide accommodation which supports a balance of households, and thus tenure types within a scheme. This type of accommodation tends to be provided in small blocks of flats (or increasingly groups of bungalows) which have space for on-site staff accommodation and communal spaces.
24. The County Council is keen to support people to live in their own homes for as long as possible. This means that, where it is physically feasible, all new housing needs to be 'future-proofed' in terms of being suitable or readily adaptable to be able to meet future mobility and other needs. The provision of accessible homes as part of the general housing stock can help meet the County Council's priority of promoting independence by ensuring that living environments are not disabling to residents. Accessible homes can support independence of any member of society, irrespective of age, who may have a temporary or permanent mobility impairment. The County Council will be supportive of local planning authorities setting policy targets to achieve this aspiration in local plans where this can be shown to be practical and viable and supported by evidence of local need.
25. Hampshire Local Planning Authorities are responsible for securing contributions from developers towards affordable housing, as well as balancing the housing market of all groups, including housing for older people and those with disabilities. The Local Planning Authorities may require that specialist housing (namely Extra Care accommodation) is required as part of development proposals where there is evidence of need. For example, section 106 legal agreements have been signed with local planning authorities and developers on five major housing sites delivering predominantly open market housing (Wellesley, Berewood, Welborne, North Whitely, and Kings Barton) to ensure the provision of Extra Care housing for older adults as part of the affordable housing requirement. These developments will deliver approximately 300 units in total across the five sites.
26. To meet specialist housing needs, providing affordable specialist housing in the community rather than private sector provision, is better for the resident, offering more choice and affordability. The location of an Extra Care development is a key determinant of its success and schemes would ideally be accessible to a range of key services, ideally including local shops, GP surgeries and access to public transport.

27. These schemes where the County Council commissions care are subject to eligibility criteria. They require potential residents to be both on the relevant local authority's housing register and to have eligible care needs as assessed by the County Council. The County Council and local housing authorities can support the drafting of Obligations.
28. Delivery is normally through a Registered Provider agreed with the County Council and planning authority. Due to the specialist nature of the housing type, most developers prefer to transfer serviced land to the County Council (for £1), which then leads the procurement of a Registered Provider to develop the scheme. The care provided within the Extra Care scheme will be procured by the County Council to ensure the delivery of care 24 hours a day, 7 days a week.
29. In negotiating the terms of a section 106 agreement, the County Council will seek on-site provision as part of affordable housing element for older adults as agreed with the local planning and housing authorities. For Extra Care Housing for Older Adults, schemes will typically comprise 60-80 flats, although in some areas needs may be higher and so schemes may be larger. A scheme size of 60 units is normally considered to be the minimum to achieve development and operational viability. Land take should normally be at least 1ha depending on scheme size and local design requirements.

Assessing needs and calculating demand

30. It is not possible to forecast exactly how many people will need Extra Care Housing in Hampshire in the future, but an estimated 20 flats per 1,000 people aged 75 and over has been used as the demand ratio within Hampshire and to inform Local Plans. The County Council's demography team can provide data on population forecasts by age (see table 1 for example) (see *Part 1* of this Guidance).

Table 1 Hampshire (total districts) forecast population by age and gender 2022-2029 (aged 55 years and above) (source: www.hants.gov.uk/landplanningandenvironment/facts-figures/population/estimates-forecasts)

	2022	2025	2029
Male 55+ years	243,623	256,874	271,369
Female 55+ years	275,556	290,667	307,000
TOTAL	519,179	547,541	578,369

31. As noted above, the NPPF requires local planning authorities to undertake assessments of the needs for all forms of housing (including specialised forms of housing for the elderly and disabled populations) as part of the evidence base under-pinning local plans. These assessments of need come in the form of Strategic Housing Market Assessments (SHMAs). Accordingly, the County Council will encourage local planning authorities to make full provision in local plans for the needs of older adults based on information

evident in their SHMAs, including details of how the needs identified will be met.

32. The County Council will continue to seek appropriate planning policies in local plans to both enable Extra Care housing development and to require provision as part of significant residential planning permissions.
33. The County Council is currently in the process of developing a new needs assessment model which takes account of demographic forecasts, social care data and socio-economic information. It is intended that this will complement the SHMAs and related assessments produced by local planning authorities. In the meantime, the County Council will look to work with local planning authorities, developers, Registered Providers and market providers of extra care accommodation to ensure needs are met.
34. The County Council encourages early engagement with local planning authorities and developers on schemes that include residential care provision or specialist accommodation to advise on needs locally. Local Planning Authorities in Hampshire are responsible for securing contributions from developers towards general needs affordable housing, as well as balancing the housing market of all groups, including housing for older people and those with disabilities.
35. Due to the variation in projects identified to meet specialist needs by geographic area, the Extra Care housing team will assess each development site on a case-by-case basis and use current demographic information and needs assessments to support any reasonable contribution towards a particular project. In some circumstances, smaller development sites may benefit from seeking Extra Care provision, because of the location or suitability of the development site itself, and/ or the localised needs and priorities. Notwithstanding scheme size, it must be acceptable to the local housing and planning authorities to provide this type of affordable housing in preference to other types of (general needs) affordable housing.
36. In seeking to enable new Extra Care housing schemes, a mixed affordable tenure scheme will be agreed between the Registered Provider and local housing authority dependent on meeting local needs and to support scheme delivery. Of the proportion of Extra Care homes to be provided within a development scheme, the County Council normally seeks a mix of unit sizes e.g 70% 1-bed units and 30% 2- bed units. The exact mix to be sought will also need to be informed by local needs, the location and characteristics of the site, and financial viability of the overall scheme, as agreed with the relevant local housing authority.
37. For Extra Care housing for younger adults, the key considerations are the provision of suitable schemes that will meet the accommodation needs of people with learning disabilities, physical disabilities or people with mental health issues. This accommodation may or may not fall into the category of affordable housing. This form of housing normally consists of one-bedroom self-contained flats together with a communal space and on-site staff accommodation. The number of flats in a single scheme is ideally between 8 – 12 units, with ground floor flats being designed to be accessible to individuals who are wheelchair users. On site care is normally commissioned on a 24/7 basis by the County Council from a Care Quality Commission registered care provider. The housing provision and landlord function is normally by a Registered Provider (of Social Housing, regulated by the

Regulator of Social Housing). Schemes will require on-site parking at a ratio of one parking space per resident to take account of staffing requirements and safe, secure and accessible outside space. Account will be taken of existing supply in determining the need for additional schemes.

38. The County Council's development team can provide further guidance about the expected design standards (including parking) for specialist housing schemes (Extra Care).

Further Information

Contact extracare@hants.gov.uk

National Planning Policy Framework	Department for Levelling Up, Housing & Communities	National Planning Policy Framework - GOV.UK (www.gov.uk)	Link checked Nov 2023
National Planning Policy Guidance	Department for Levelling Up, Housing & Communities	Planning practice guidance - GOV.UK (www.gov.uk)	Link checked Nov 2023
Ministerial Statement (23 May 2023) by Rachel Maclean MP – Minister of State for Housing and Planning	Department for Levelling Up, Housing & Communities	https://questions-statements.parliament.uk/written-statements/detail/2023-05-23/hcws795	Link checked Nov 2023
Hampshire County Council Adult Social Care Services	Hampshire County Council	https://www.hants.gov.uk/socialcareandhealth/adultsocialcare	Link checked Nov 2023
Hampshire County Council Adults Health and Care Strategy (2018)	Hampshire County Council	https://democracy.hants.gov.uk/documents/s14587/Adults%20Health%20and%20Care%20Strategy%20final.pdf	Link checked Nov 2023
Hampshire County Council Adults Health and Care Strategy (2023)	Hampshire County Council	www.hants.gov.uk/socialcareandhealth/adultsocialcare/strategy-market-position	Link checked Dec 2023
Hampshire County Council Older Adults' Affordable Extra Care Parking Guidance (April 2020)	Hampshire County Council	www.hants.gov.uk/socialcareandhealth/adultsocialcare/professionals/extra-care	Link checked Nov 2023
Hampshire County Council care homes, respite and day centres	Hampshire County Council	www.hants.gov.uk/socialcareandhealth/adultsocialcare/care-homes	Link checked Nov 2023

Hampshire County Council Extra Care Housing Schemes	Hampshire County Council	www.hants.gov.uk/socialcareandhealth/adultsocialcare/extracarehousing/councilschemes .	Link checked Nov 2023
Younger Adult Extra Care Housing Brochure (2022)	Hampshire County Council	https://documents.hants.gov.uk/adultservices/market-position-statements/Extra-Care-Younger-adults-Brochure-2022.pdf	Link checked Nov 2023
Older Adults Extra Care Housing Brochure (2022)	Hampshire County Council	https://documents.hants.gov.uk/adultservices/market-position-statements/Extra-Care-Older-adults-Brochure-2022.pdf	Link checked Nov 2023
Physical Disability Services market Guidance (2021)	Hampshire County Council	https://documents.hants.gov.uk/adultservices/AHC-MPS-Physical-Disabilities.pdf	Link checked Nov 2023
Assisted Living Homes & Extra Care in Hampshire	EAC Housing Care	https://housingcare.org/elderly-uk-assisted-living-extra-care-housing/area-1-hampshire	Link checked Nov 2023
Housing Options for Older People (HOOP) Tool	EAC Housing Care	https://hoop.eac.org.uk/hooptool/	Link checked Nov 2023



Hampshire
County Council

Guidance on Planning Obligations and Developer Infrastructure

Part 3: Children's Services Facilities (Education Provision)

Summary

- The County Council has a statutory duty to ensure the provision of sufficient school places to meet identified needs. This Guidance will be used as a basis to negotiate planning obligations towards facilities in accordance with the Community Infrastructure Levy Regulations 2010 (as amended).
- The County Council will work in partnership with local planning authorities, landowners and developers to ensure that the County Council is able to meet its statutory obligations as Local Education Authority (LEA).
- The County Council undertakes regular school places forecasting to predict the level of new provision which will be required to meet the needs of new development.
- This planning process calculates anticipated pupil yields from new development based on recent experience in Hampshire and forecasts the range of new provision likely to be required, taking into account existing pressures and spare capacity in local catchments.
- This Guidance will be kept under review in the context of local and national policy changes and updated forecast data and build cost advice.

Infrastructure Needs & Planning Background

1. The County Council has a statutory duty as local authority for education (LEA) to promote high standards of, and fair access to education and a general duty to secure the sufficiency of school places. It also has statutory duties regarding free early education, childcare, the need to secure provision for children with Special Educational Needs and Disabilities (SEND) and sufficient education and training provision for young people with an Education, Health and Care Plan (EHCP) plan up to the age of 25.
2. The County Council has a Strategic Development team which plans the provision of school places across the county and produces an annual School Places Plan. The County Council needs to ensure an appropriate number of school places exist in all educational sectors across Hampshire focusing on specific geographical areas with shortfalls and high surpluses. These facilities include primary and secondary schools, provision for children with special educational needs and disabilities (SEND), early years facilities to support young children and their families and the provision of post- 16 facilities. See weblinks at the end of this chapter for further information.
3. Local authorities have a duty to secure sufficient childcare, so far as is reasonably practicable, for working parents, or parents who are studying or training for employment, for children aged 0-14 or up to 18 for children with disabilities. Local authorities are also required to secure sufficient childcare places to enable parents to take up their funded Early Years Education entitlements. Early Years education and childcare is a key factor in improving outcomes for young children.
4. Hampshire County Council has a responsibility for providing sufficient school places under the Education Act 1996. This Act places a statutory duty on the County Council to ensure there is a strong supply of good school places available to meet demand. It is the County Council's role to plan, commission and organise school places in conjunction with the Regional Schools Commissioner in a way that promotes the raising of standards, manages supply and creates a diverse educational infrastructure. The County Council is also responsible for ensuring fair access to educational opportunity and promote diversity and parental choice.

5. The Department for Education publishes guidance on securing developer contributions for education. The latest version (2023) is online (see *Further Information* below) and is non-statutory. The guidance promotes good practice on evidencing development impacts, engaging with local planning authorities, and delivering expanded or new facilities with funding from housing development. Hampshire County Council is satisfied that it follows the best practice as recommended by the DfE, unless local factors determine that a different approach is more appropriate. The DfE guidance is clear that it is not intended to replace local approaches.
6. The County Council has a statutory duty to secure sufficient suitable education and training provision for all young people in their area who are over compulsory school age but under 19 or aged 19 to 25 and for whom an Education, Health and Care (EHC) plan is maintained. To fulfil this, local authorities need to have a strategic overview of the provision available in their area and to identify and resolve gaps in provision.

Existing Education Provision in Hampshire

7. As a result of strategic planning for schools, the county hosts popular and highly successful infant, junior, primary, 11-16 and 11-18 schools as well as 4-16 schools and the largest post-16 college sector in the country.
8. The planning and provision of additional school places is an increasingly complex task which models growing populations, inward migration, and new housing developments. Individual schools, subject to status, now have greater autonomy regarding admission numbers and decisions surrounding school expansions, adding further complexity to the role the County Council must undertake.
9. Hampshire continues to experience a significant pressure for places across certain areas of the county as high birth years work their way through the school years, and new housing is built across the county (over 45,000 dwellings 2021 to 2028). There are also areas where trends suggest that pupil numbers are starting to fall, and these are closely monitored and effectively managed when required.
10. Around 21,000 children under five are accessing funded Early Years Education across Hampshire, with 37,000 funded and non-funded children aged under five in total accessing childcare. In the County Council, Services for Young Children produce childcare market sufficiency annual reports and updates. These reports provide information about changes in the childcare market, such as childcare closures and early years education take-up.
11. The educational offer to children with Special Educational Needs (SEND) includes resourced provision within mainstream schools. Special schools are different from mainstream schools and may have various different designations. Very specific accommodation is required to meet the specialist and often complex needs of individuals.
12. There are 36 post -16 providers based in Hampshire: 7 secondary schools with sixth forms; 13 further education and sixth form colleges; and 16 apprenticeship and training providers.

Strategic Background

13. Information on the County Council's approach to school place planning is set-out in the Hampshire School Places Plan 2023 to 2027. The School Places Plan sets out the

identified need for extra mainstream school places and is updated annually. The County Council collects data on the historical and current uptake of places in all schools that are maintained by the Local Authority. This data along with other linked information, primarily birth and housing data, is used to forecast school places across the County.

14. The National Planning Policy Framework (NPPF) (2023) requires that planning policies and decisions aim to achieve healthy, inclusive and safe places which provide for social facilities and services the community needs, including a sufficient choice of school places to meet the needs of existing and new communities. Local planning authorities should “give great weight to the need to create, expand or alter schools through the preparation of plans and decisions on applications” (paragraph 95).
15. Wherever possible, children with Special Educational Needs and Disabilities (SEND) are educated in mainstream schools. For some specific needs, it is appropriate to provide additional resources and to provide places in special schools or in a resourced provision attached to a mainstream school. The Government published its Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) Improvement Plan in March 2023. There is also a Hampshire County Council SEND school places strategy (2018 – 2023) (see *Further Information* below). The updated Hampshire County Council SEN Sufficiency Strategy is due to be published in Spring 2024 and this will address the long-term sufficiency of specialist SEND places.
16. The Education and Skills Act 2008 has increased the age of compulsory participation in education or training to 18 years old. Hampshire Futures is the County Council’s Education and Participation Service, and monitors the destination of young people after they leave school. The Department for Education has published statutory guidance for local authorities when exercising its functions relating to the participation of young people in education or training.
17. The Childcare Act of 2006 Section 6 places a duty on English local authorities to secure sufficient childcare for working parents. Section 7 also places a duty on local authorities to secure early years provision for young children in its area, free of charge and in accordance with the Local Authority (Duty to Secure Early Years Provision Free of Charge) Regulations 2014.

Obligations and Developer Infrastructure Contributions

18. The County Council regularly sets out three-year plans of improvements to schools and new schools in its Children’s Services capital programme. For expansion and new school projects, a significant proportion of these schemes are planned to be funded with developers’ contributions.
19. The County Council is continuing to lead the national study to benchmark the cost of schools across the country. This study is endorsed by the DfE and provides invaluable information on the ‘true’ complete cost of providing school places. This evidence is being used to benchmark value for money for Hampshire schools to ensure sufficient funding for the provision of additional pupil places across Hampshire.
20. In line with the National Planning Policy Framework (NPPF) and Regulation 122 of the Community Infrastructure Regulations 2010 (as amended), the County Council will seek developer contributions towards delivery of Children’s Services facilities, required as a direct consequence of development. The County Council will work in partnership with local

planning authorities to negotiate contributions with applicants and should be involved at all stages of the planning process.

21. Developer contributions towards new school places should provide both funding for construction and land where applicable, and the County Council should be a signatory to any s106 agreements to enable it to collect contributions. In some local planning authority areas, education infrastructure may be funded fully or partially by Community Infrastructure Levy (CIL) funds, in order to mitigate the impacts of development.
22. Local Planning Authorities should consult the County Council on planning proposals relating to a development of 10 or more eligible dwellings (an eligible dwelling comprises of two or more bedrooms excluding those specifically for elderly persons). This consultation should take place when sites are allocated in local plans and when planning applications are received. This should also be part of pre-application/ scoping discussions so that developers are aware of the potential requirement for contributions from the outset.
23. Developer contributions are sought based on a formulaic approach which models the potential pupil yield arising from a proposed development, and the need to provide additional school places (either through the provision of new schools or extensions to existing schools). The increased demand for spaces translates to a school size requirement based on how many classes there would need to be in each year group to meet the anticipated (modelled) need. For example, a single-form-entry school will have one year 1 class, one year 2 class etc only. A three-form entry school would have three year one classes, three year 2 classes etc.

Table 1 Indicative contributions sought for New Primary Schools (March 2022 figures)

Size of School (form-entry)	Total Cost	Cost/pupil
1fe (210 places)	£6,207,312	£29,559
1.5fe (315 places)	£6,879,980	£21,841
2fe (420 places)	£8,606,394	£20,491
3fe (630 places)	£12,258,138	£19,457

Table 2 Indicative contributions sought for extensions to existing Primary Schools (March 2022 figures)

Size of expansion (form-entry)	Total Cost	Cost/Pupil
0.5fe (3 classrooms)	£1,865,568	£20,729
0.5fe (4 classrooms)	£2,505,470	£20,879
1fe	£4,368,902	£20,804

24. Table 2 above illustrates school expansions which are 0.5 form entry (either 3 or 4 classrooms) or extension to accommodate an increase of 1 form entry. Where the expansion requires a different number of additional classrooms, the indicative cost is £621,870 per classroom which includes any changes required to existing infrastructure, the equivalent of £20,729 per pupil place. Where there is a requirement to expand both an infant and junior school to accommodate the anticipated yield from a development, then the cost could be

significantly higher.

25. Where the number of pupils from a development is less than would be required to sustain an additional teaching space, the contribution will be calculated on a pro-rata basis.
26. Indicative contributions sought for new secondary schools are shown below in Table 3. Whilst it is only in exceptional circumstances that a school larger than 9 forms of entry would be required, it should be noted that depending on the scale of development, the costs would be determined as required.

Table 3 Indicative contributions sought for new secondary schools (March 2022 figures) (the cost of schools larger than 9 forms of entry will be determined as required)

Size of School	Total Cost	Cost/Pupil
5fe (750 places)	£20,405,146	£27,207
6fe (900 places)	£23,764,033	£26,404
7fe (1,050 places)	£27,122,920	£25,831
8fe (1,200 places)	£30,481,807	£25,402
9fe (1,350 places)	£31,870,224	£23,608

Table 4 Indicative contributions sought for extensions to existing secondary Schools (March 2022 figures)

Size of expansion	Total Cost	Cost/pupil
1fe (150 places)	£4,903,753	£32,692
2fe (300 places)	£9,807,506	£32,692

27. Where the expansion requires additional secondary classrooms (other than an expansion of 1fe or more) the cost is £980,760 per teaching space which includes any changes required to existing infrastructure, the equivalent of £32,692 per pupil place.
28. For developments over 500 eligible dwellings, an assessment will be made of the need to secure additional accommodation for pupils with SEND from the development at an appropriate local school and will be subject to an assessment of the individual situation. Special school provision across the County is already at capacity. Based on the Department for Education Building Bulletin 104, a special school pupil requires in the region of four times the area of a pupil in mainstream provision. The cost per pupil for providing a special school place is therefore estimated at approximately four times the build cost of mainstream provision. Costs for an additional classroom, to cater for up to 8 SEND pupils, will be based upon the primary age costs, i.e. £621,870 and will be located at the most appropriate local school, potentially outside of the development site boundary.
29. The County Council has a duty to ensure that there is sufficient provision for Early Years Education and childcare (although not normally as a provider). New housing developments can result in local pressures within the existing childcare market where further capacity is required to support families moving into new homes. For new housing developments the

County Council has taken the position to seek to secure sites for childcare development and / or childcare provision either within community buildings or the like through the site masterplanning process, or through the expansion of an existing childcare setting where this is appropriate. The phasing and delivery of facilities will be sought at timings appropriate to the build out of homes (usually early in the development and at the same time as any school development).

30. To support post-16 provision, developers may be asked to create and deliver an Employment and Skills Plan (ESP) in order to achieve social and economic objectives relating to education and skills, in accordance with guidance set by the Construction Industry Training Board (CITB) National Skills Academy for Construction (NSAFC), Client-Based Approach (or equivalent).
31. The County Council may also require the developer to make a capital contribution towards the development of additional post-16 education and skills provision in support of the Local Education Authority's statutory duty for sufficiency, post-16. The yield for the post-16 sector should be based on a factor of 0.06 per dwelling (see Table 5 below). The latest Department for Education guidance (2023) on securing contributions advises that expansions to Further Education colleges are unlikely to be funded through planning obligations, but local planning authorities may allocate Community Infrastructure Levy (CIL) funds for strategic expansion or enhancement of these facilities for a growing regional or sub-regional population. The DfE advises that sixth form places provided within secondary schools will cost broadly the same as a secondary school place (see Tables 3 and 4 above).

Assessing needs and calculating demand

32. To calculate demand for school places the County Council assesses the capacity of schools in the area, as relevant to the proposed development location. This indicates whether additional capacity will be required to cater for the demand arising from planned residential development. Developers should contact the Strategic Planning Unit to discuss the needs arising from their development. Contact details are provided below.
33. Where additional demand is not anticipated to require a new school, it is expected that a new development will be served by the nearest schools, which may require expansion. Not all unfilled places in a school are surplus places and some margin of capacity is necessary to allow parents' choice given that there will be volatility in preferences from one year to the next and to allow for differences in the size of individual cohorts. The County Council's position is that a school should be considered as full when it has less than 5% of its places unfilled.
34. Where the need for a new school is identified, specifically to meet basic need, then section 6A of Education and Inspections Act 2006 places LEAs under a duty to seek proposals to establish an academy (free school) via the 'free school presumption' process. The LEA is responsible for ensuring the site for the new school is provided and all associated capital costs are funded.
35. In some cases where there is sufficient capacity to cater for all, or part, of the additional demand, there may still be a need for additional facilities at a school. Schools which may in theory have spare capacity will be using those spaces for legitimate educational uses such as small group work supporting pupils with special educational needs. Such spaces would need to be re-provided before those classrooms can be brought back into use for general teaching purposes. There may also be factors, such as an undersized hall or the need to provide a music/drama room as the school grows, which would make it difficult to meet present day

educational requirements if the school was full to its assessed capacity. The cost to resolve these issues will vary and will need to be assessed on a case-by- case basis.

36. The Hampshire Schools Places Plan explains the detailed methodology used to forecast the demand for school places. To assess the long-term demand arising from a new development, the Strategic Development Team uses the following yields, derived from known average yields across the County:

Table 5 Yield Calculations for No. pupils per dwelling (Hampshire County Council)

Age Group	Yield/Dwelling	Example (50 dwellings)	Example (1,000 dwellings)
0-3 (pre-school)	0.09	4.5	90
4-11 (primary)	0.3	15	300
11-16 (secondary)	0.21	10.5	210
Post-16	0.06	3	60
	Total calculated pupil yield:	33	660

37. The lower secondary factor is because secondary schools cater for five year groups, compared with seven for primary schools. The post-16 factor has been calculated using the secondary factor which has been discounted to the full-time equivalent places required. Where it can be evidenced that the yield of pupils is higher than the rates quoted above, the contribution sought from the developer will reflect this higher factor.
38. The yield calculations used will apply across all housing tenures. Although recent DfE guidance (2023) advises that affordable housing typically generates more pupils than market housing, additional local analysis would be required to evidence any tenure differences to the yields shown in table 5.
39. Where a new school is required the County Council will expect the developer to provide, within the required timescales, a cleared, fully serviced and accessible freehold site free of charge in addition to the normal level of contributions towards construction costs (including fit-out, furniture, equipment and ICT) of school buildings. See below for further site guidance.
40. The figures in table 6 are the required minimum site area for a school of the appropriate size only. Sites should not be used to accommodate land to meet any public open space or community requirements.

Table 6 Minimum useable site areas required to accommodate new schools

	School Size (forms of entry)	Total Site Area (hectares)
Primary	1fe (210 places)	1.2
	2fe (420 places)	2
	3fe (630 places)	2.8
Secondary	5fe (750 places)	5.83

	School Size (forms of entry)	Total Site Area (hectares)
	6fe (900 places)	6.77
	7fe (1,050 places)	7.72
	8fe (1,200 places)	8.66
	9fe (1,350 places)	9.61

41. Where a large development is shared between several developers, it may be appropriate to make provision within the s106 agreement(s) for the development so that the planning obligations required falls on all those involved. If this is the case, it will be necessary to discuss the exact mechanism that is applicable. When seeking to secure a new school site, the County Council will, in general, ask for a site capable of expansion by one form of entry to “future proof” the site for any further housing developments brought forward in the area. It is expected that the Local Planning Authority (LPA) will support the County Council in its endeavours to ensure that additional school places can be provided should additional housing occur in the future.
42. Where the County Council provides land to build a new school, relieving the developer of the need to provide a school site, a contribution will be sought from the developers for payment towards the cost of this land when it is used to mitigate their housing development.

Special Educational Needs and Disabilities (SEND)

43. Analysis of pupils with Special Educational Needs and Disabilities (SEND) highlights that over 5% of pupils in Hampshire currently have an Education, Health and Care Plan (EHCP), compared to 4.3% nationally (January 2023 data from <https://explore-education-statistics.service.gov.uk/find-statistics/special-educational-needs-in-england>).
44. Where possible, these pupils with an EHC plan are supported within mainstream settings, however, approximately 40% of these pupils require a specialist place either within a Resourced Provision (in a mainstream setting) or a Special School. For new developments, an assessment of local provision and demand together with potential yield will ascertain the need for a contribution towards the additional educational facilities and where provision will be located in relation to the development. Additional teaching and therapy support spaces may be required to provide a quality learning environment for SEND pupils - typically a SEND classroom would cater for up to 8-12 pupils depending on their need. An indication of provision is shown below as a basis for these discussions.

Table 7 Estimated number of classrooms required for SEND provision

Eligible Dwellings	Additional Classrooms Required
500- 1,400	1
Up to 2,800	2
Up to 4,200	3

45. As shown in Table 7, additional classroom space will not normally be sought for developments of less than 500 dwellings.
46. Sites over 4,200 dwellings (for instance planned strategic growth) sites may require the provision of a new SEND school or the expansion of an existing school in the locality and the contribution will be determined as required. Where a new site is required for a non-mainstream (special) school, developers are expected to make the appropriate size of site available free of charge together with a contribution towards the cost of the new school.

Early Years

47. The level of demand for Early Years funded places is based on the size of the housing development (see Table 8). Early discussion with the Strategic Development team is recommended to determine the provision required.
48. An understanding of Early Years need is set out in the Hampshire County Council Childcare Sufficiency Guidance (CSA). The Hampshire CSA is based upon a measurement of the supply and demand for childcare using both local and national statistics and a variety of data collected by the County Council. It has been reviewed at a district and borough level and collated into the Hampshire Childcare Sufficiency Assessment (for the methodology see *Further Information* below).
49. Where Hampshire County Council considers that the best way of delivering the pre-school provision is within a school setting, additional funding will be sought to enable the pre-school accommodation to be provided. This will also lead to the need for a larger school site.

Table 8 Estimated demand for Early Years Education (EYE) places to support new housing developments (source: Hampshire County Council Childcare Development Service 2023 (to be published))

No. of new homes	Estimated No. of children (x0.3)*	0 year olds (from 9 months) 51% of cohort	1 year olds 51% of cohort	2 year olds (working families) 51% of cohort	Disadvantaged 2 year olds 14% of cohort	3 year olds 97% of cohort	4 year olds 42% of cohort	Total for all Early Years Age Groups	Places required (based on 1.2 children per place)**
100	30	1	3	3	1	6	3	16	13
500	150	4	15	15	4	29	13	80	67
800	240	6	24	24	7	47	20	129	107
1,000	300	8	31	31	8	58	25	161	134
3,000	900	23	92	92	25	175	76	482	402
5,000	1,500	38	153	153	42	291	126	803	669

*based on Hampshire Home Movers Survey and 5 cohort ages

**based on 2023 Childcare Sufficiency Assessment and this could change up or down

Post-16 provision

50. In terms of post-16 provision (further education, sixth form colleges, and apprenticeship and training), facilities do not have pupil catchments in the same way as school places planning. This makes it more difficult to strategically plan post-16 provision to support planned housing growth, as for instance colleges draw in students from far and wide, and attendance is not

always full-time. The County Council can provide further information on 'travel to learn' data to demonstrate the impact of planned housing on specific post-16 facilities. The yield calculation is 0.06 post-16 pupils per dwelling as shown in table 5.

Guidance on Calculating Costs

51. Owing to the complexities of providing a new secondary school, the figures quoted are guideline only and a site-specific calculation will be necessary to derive the actual cost of a new school or if the development is in an area where secondary schools cater for the 11-18 age range. Similarly, the cost of expansion of an existing school will vary depending on what accommodation is required, for example the provision of specialist curriculum spaces that are generally larger and require a higher level of fitting out, such as science laboratories.
52. In most circumstances, it will not be possible to provide detailed feasibility studies until planning permission for the development has been issued, due to the timescales involved in responding to planning consultations and the risk of abortive fees prior to securing planning permission.
53. As a starting point, Hampshire County Council derives the values for the developer contributions cost multipliers from the latest LGA/ EBD OG (Local Government Association/Educational Building and Development Officers Group) schools benchmarking study. The value calculation uses the average gross cost per square metre according to the size of school against which a number of adjustments are made. Figures are then adjusted to reflect more localised inflation (Hampshire) as shown in the indicative costs set out in this Guidance (esp. tables 1-4).
54. As average costs from the benchmarking study are used, these figures carry with them an allowance for typical site abnormalities at this cost level. However, significant known one- off site abnormal costs identified relating to any specific site planning requirements, ground conditions, infrastructure, services or other aspects of the proposed site, will be added to the calculation to establish the overall financial contribution required for the primary, secondary and special school provision. Where new developments are built as electric only sites, the figures shown in this document will need to be adjusted to take into account the associated additional cost.
55. The Local Education Authority is responsible for the pre- /post- opening revenue costs associated with a new free school when established through the presumption route (see *Establishing a new academy: the free school presumption route* – Department for Education, September 2023). Developers will be expected to meet these revenue costs in full which, at present, is set at £67,000. This is given to schools to cover pre-opening costs, such as the appointment of staff prior to opening and any goods and services necessary to admit pupils.
56. The costs included in this Guidance will be index-linked for future adjustment/inflation (using the BCIS All-in TPI tender price index). Financial contributions will be adjusted in line with inflation in accordance with Part 1 of this Guidance. Section 106 agreements will provide for appropriate trigger dates and/or development status for payment, related to the intended phasing and build out of development.
57. The figures quoted in this section should be seen as indicative figures to establish, at an early stage, the approximate level of financial contributions. As more detailed work is undertaken on specific proposals, the County Council will provide a site-specific estimate of costs depending on local on-site factors, type of building, the extent of infrastructure and alterations that may be required.

58. Where a Local Planning Authority (LPA) seeks a BREEAM rating or a net zero carbon building for new schools, it is expected that the LPA will support the County Council in securing the additional funding required to achieve this rating from the developer. Costs will vary depending upon the size of school being provided and will be subject to an individual assessment of each scheme.

Further guidance on providing education facilities

59. Should there be a need to provide short term (temporary) school transport for pupils from a development, it is expected that the developer will provide the revenue funding for the transportation costs incurred. For example, providing temporary transport where a school has not been built in time or a safe route to the catchment school has not been constructed ready for the opening of a school.
60. There may be cases where a new school is proposed within a new development, but the agreed location cannot be provided with access and/or services by the time that the school is required. It is expected that the developer will provide a site and pay for the cost of a fully equipped temporary school pending the completion of the permanent school, or, to pay the additional cost incurred for providing the school in phases.
61. It is expected that a new primary school site be delivered to the County Council to allow the opening of the school during the year when 400 eligible dwellings will be completed on a new development. New secondary schools will be delivered predominantly to serve the pupils of the housing development on which it stands but the timing of the transfer of the school site to provide the new school will be subject to further discussions with the Strategic Development Team.
62. Sites provided for new schools should be level and of a regular shape to allow the laying out of the school buildings and playing pitches. The County Council must be consulted early in masterplanning to ensure that any proposed school sites are appropriate and suitable, depending on several factors including, location, access, shape, topography and the relationship with adjacent community and other land uses.
63. New schools should be located within a new development based on the principles of encouraging sustainable modes of transport to school (with a priority given to active travel such as walking and cycling). For example, a maximum walking distance of 800 metres from the furthest dwelling with good footpath and cycle links to promote walking to school rather than relying on the use of cars.
64. Any site transferred to the County Council will be free of any services running through the site.
65. The provision of the pre-school and/or nursery facilities should be programmed to be available at an early stage of the development to ensure a sufficiency of places. This will require the land being accessible and the statutory utilities provided to ensure that these places can be provided. It is expected that at least temporary provision be in place by the opening of the new school, or provision of additional spaces at an existing school, whichever is planned for the development.

Further Information

66. Considering the large number of children's services facilities across Hampshire, the planning of new and extended provision is organised across a team of Strategic Development Officers. To make enquiries and contact the relevant lead for the geographic area of interest:

Contact: strategicplanningunit@hants.gov.uk

School Place Plan 2023 – 2027	Hampshire County Council	https://www.hants.gov.uk/educationandlearning/strategic-development/schoolplacesplan	Link checked Nov 2023
School Organisation and Strategic Development Information	Hampshire County Council	https://www.hants.gov.uk/educationandlearning/strategic-development	Link checked Nov 2023
Hampshire County Council SEND school places strategy (2018 – 2023)	Hampshire County Council	https://fish.hants.gov.uk/kb5/hampshire/directory/family.page?familychannel=6-1 (See Downloads Tab)	Link checked Nov 2023
Hampshire Childcare Sufficiency Assessment (CSA) (2022)	Hampshire County Council	https://documents.hants.gov.uk/childrens-services/ChildcareSufficiencyAssessment.pdf	Link checked Dec 2023
Hampshire County Council Early Years requirements in major new developments (2015)	Hampshire County Council	https://documents.hants.gov.uk/education/EarlyYearsRequirementsinMajorNewDevelopments.pdf	Link checked Nov 2023
Securing developer contributions for education (2023)	Department for Education	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1176845/Securing_Developer_Contributions_for_Education.pdf	Link checked Nov 2023
Participation of young people in education, employment or training Statutory guidance for local authorities (2016)	Department for Education	https://assets.publishing.service.gov.uk/media/5a75835540f0b6360e474b1d/Participation-of-young-people-in-education-employment-or-training.pdf	Link checked Dec 2023
National Planning Policy Framework	Department for Levelling Up, Housing and Communities	https://www.gov.uk/government/publications/national-planning-policy-framework--2	Link checked Nov 2023
Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) Improvement Plan	HM Government	https://assets.publishing.service.gov.uk/media/63ff39d28fa8f527fb67cb06/SEND_and_alternative_provision_improvement_plan.pdf	Link checked Dec 2023
Area guidelines for SEND and alternative provision - Building Bulletin 104 (Dec 2015)	Department for Education	https://assets.publishing.service.gov.uk/media/5f23ec4e8fa8f57ac968fb11/BB104.pdf	Link checked Nov 2023

National School Delivery Cost Benchmarking Primary, Secondary & SEN Schools	Hampshire County Council in conjunction with East Riding of Yorkshire Council and the Department for Education	https://documents.hants.gov.uk/property-services/NationalSchoolDeliveryBenchmarkingreport.pdf	Link checked Nov 2023
Establishing a new academy: the free school presumption route	Department for Education	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1186519/Free_school_presumption_guidance.pdf	Link checked Nov 2023
Client-Based Approach To Developing and Implementing An Employment and Skills Strategy On Construction Projects Contractor and Developer Guidance – England (2017)	CITB	www.citb.co.uk/media/1bdedmf1/english-client-based-approach-contractor-guidance.pdf	Link checked Dec 2023



Guidance on Planning Obligations and Developer Infrastructure Contributions

Part 4: Highways & Transport

Summary

- The County Council is the Local Highway Authority (LHA) for most of the roads in Hampshire and has a statutory duty to maintain highways maintainable at public expense in a safe and serviceable manner for all types of road user.
- The Local Highway Authority is also a statutory consultee on planning applications for new development which may have transport or traffic implications.
- Early pre-application discussion with the County Council is essential to determine the need for a developer to assess potential highway impacts and the form and scope of any assessment. Measures necessary to mitigate against the impact of new developments should be identified through evidence provided by the applicant, via Transport Assessments and/or through site specific negotiations with the County Council.
- The County Council can provide advice on the preparation of travel plans where these are necessary in support of new developments.
- Advice and signposting are also provided on matters related to:
 - Financial contributions;
 - Commuted sums for maintenance;
 - Highway development agreements; and
 - School transport.
- The County Council has a statutory duty as local highway authority to protect and maintain the network of public rights of way (PROW) across the county (see Part 5 on Countryside, Public Rights of Way and Green Infrastructure in this Guidance).

Key service	Email Contact
Pre-application advice	highways.development.control@hants.gov.uk
Travel Plans	travelplans@hants.gov.uk
Highway works (including maintenance)	roadagreements@hants.gov.uk highway.asset.management@hants.gov.uk
Transport requirements for schools	highways.development.control@hants.gov.uk

Infrastructure Needs & Planning Background

1. Section 9 of the National Planning Policy Framework (NPPF) set out Government planning policy on promoting sustainable transport solutions. This includes encouraging measures which both reduce the need to travel and facilitate travel by means other than just the private car. Thus paragraph 104 states that:

“Transport issues should be considered from the earliest stages of plan-making and development proposals, so that:

- a) the potential impacts of development on transport networks can be addressed;*
- b) opportunities from existing or proposed transport infrastructure, and changing transport technology and usage, are realised – for example in relation to the scale, location or density of development that can be accommodated;*
- c) opportunities to promote walking, cycling and public transport use are identified and pursued;*
- d) the environmental impacts of traffic and transport infrastructure can be identified, assessed and taken into account – including appropriate opportunities for avoiding and mitigating any adverse effects, and for net environmental gains; and*
- e) patterns of movement, streets, parking and other transport considerations are integral to the design of schemes, and contribute to making high quality places”*

2. Paragraph 106 notes that planning policies should:

- a) support an appropriate mix of uses across an area, and within larger scale sites, to minimise the number and length of journeys needed for employment, shopping, leisure, education and other activities;*
- b) be prepared with the active involvement of local highways authorities, other transport infrastructure providers and operators and neighbouring councils, so that strategies and investments for supporting sustainable transport and development patterns are aligned;*
- c) identify and protect, where there is robust evidence, sites and routes which could be critical in developing infrastructure to widen transport choice and realise opportunities for large scale development;*
- d) provide for attractive and well-designed walking and cycling networks with supporting facilities such as secure cycle parking (drawing on Local Cycling and Walking Infrastructure Plans);*
- e) provide for any large scale transport facilities that need to be located in the area, and the infrastructure and wider development required to support their operation, expansion and contribution to the wider economy....”*

3. This is supported by Government guidance in the National Planning Practice Guidance on Transport evidence bases in plan making and decision taking and Travel Plans, Transport Assessments and Statements (Please see weblinks at the end of this chapter).
4. The National Planning Policy Guidance on Travel Plans, Transport Assessments and Statements explains that:

“The development of Travel Plans and Transport Assessments or Transport Statements should be an iterative process as each may influence the other.

The primary purpose of a Travel Plan is to identify opportunities for the effective promotion and delivery of sustainable transport initiatives eg walking, cycling, public transport and tele-commuting, in connection with both proposed and existing developments and through this to thereby reduce the demand for travel by less sustainable modes. As noted above, though, they should not be used as way of unfairly penalising drivers.

Transport Assessments and Transport Statements primarily focus on evaluating the potential transport impacts of a development proposal. (They may consider those impacts net of any reductions likely to arise from the implementation of a Travel Plan, though producing a Travel Plan is not always required.) The Transport Assessment or Transport Statement may propose mitigation measures where these are necessary to avoid unacceptable or “severe” impacts. Travel Plans can play an effective role in taking forward those mitigation measures which relate to on-going occupation and operation of the development.

Transport Assessments and Statements can be used to establish whether the residual transport impacts of a proposed development are likely to be “severe”, which may be a reason for refusal, in accordance with the National Planning Policy Framework.” Paragraph: 005 Reference ID: 42-005-20140306

Existing Provision: Transport in Hampshire

5. Hampshire County Council is the Local Highway Authority for most of the roads in Hampshire, except for the Southampton City Council and Portsmouth City Council Road network, and the Strategic Road Network (motorways and trunk roads) which is the responsibility of National Highways (formerly Highways England).
6. As Local Highway Authority the County Council has a statutory duty to maintain highways that are maintainable at public expense in a safe and serviceable manner. Good connectivity between destinations, based on attractive, reliable journey times for all, is crucial to the on-going success of Hampshire’s economy. It is increasingly recognised that schemes that create extra road capacity for general use shows that this soon fills up with extra car journeys. Rather than building extra capacity, many councils now accept that ways of using road network space more efficiently should be considered.
7. The County Council, as Local Highway Authority, works with Hampshire’s local planning authorities to consider the transport and traffic implications of development proposals contained in emerging local plans. The County Council is also obliged to produce a local transport plan every five years and to keep it under review.
8. An overview of the existing ‘drivers for change’ for transport planning in Hampshire in set out in the Local Transport Plan 4.

Strategic Background: Local Transport Plan

9. A Local Transport Plan (LTP) assesses an area’s transport needs and challenges looking forward over a long-term period and sets out different ways in which these challenges in a wider context will be addressed.

10. Local Transport Plans (LTPs) are a statutory planning document that local transport authorities are required to produce which set out strategies for improving transport networks, propose projects for investment and plan how key objectives will be achieved. The policy environment has changed rapidly and continues to evolve due to the urgency of addressing climate change, the de-carbonisation agenda and the changes in travel patterns brought about by hybrid working. As a result, the Government is committed to reviewing its advice on the production of the next generation of LTPs.
11. Hampshire's most recent adopted LTP (LTP3) covered the period 2011 to 2031 and was last reviewed in 2013. A draft of a new LTP (LTP4) has been prepared and was the subject of consultation in April 2022, where it received strong public support. LTP4 is in the process of formal adoption in 2024.
12. LTP4 will supersede LTP3 and represent transport policy for Hampshire County Council to 2050. It will reflect emerging Government guidance on LTP preparation and will place more emphasis on promoting alternatives to the private car, reducing carbon emissions, better links between land use and transport planning and a better balance between economic growth and the natural environment compared to previous LTPs.
13. It is important that developers engage with the County Council as Highway Authority to ensure these important emerging policies are reflected in development proposals. The nature and type of mitigation that may be sought to be addressed either directly or through developer contributions is likely to change, with air quality, carbon reduction and climate change mitigation and adaptation in relation to transport schemes becoming increasingly important.
14. Accordingly, the transport infrastructure and type of developer contributions sought in future may differ to those set out in this Guidance, and it will be kept under review updated to reflect the new LTP4 measures as required.
15. The latest Highways Asset Management Policy (2022) & Strategy (2023) identify Hampshire County Council's asset management aims and objectives for managing the highway network.

Obligations and Developer Infrastructure Contributions

16. The County Council considers the transport implications of major planning applications across the county. Information for developers is available on the County Council's information for highway developers webpage (see *Further Information* below).
17. It is the Local Highway Authority's role to provide advice to the local planning authority on the compliance of any relevant development proposal with the Development Plan and to highlight any material planning considerations which need to be weighed in the planning balance by the local planning authority. This advice can cover the severity of any transport impacts on the highway network (paragraph 111 of the NPPF), impacts related to highway safety (paragraph 112 of the NPPF) and wider sustainability considerations regarding whether opportunities to encourage active travel and other sustainable transport modes have been taken up. Where potential harm is identified by the Local Highway Authority, it will engage with the applicant and local planning authority to consider the scope for mitigating such impacts, usually secured through planning conditions and obligations.

KEY REQUIREMENT: Transport Assessments

18. To assess the transport requirements of a development proposal the County Council is likely to require a transport assessment or transport statement for larger schemes, setting out the traffic and transport implications of their proposed development. The thresholds above which a transport assessment is required are provided online (see links below).
19. Transport assessments are thorough assessments of the transport implications of development, and transport statements are a 'lighter-touch' evaluation to be used where this would be more proportionate to the potential impact of the development (i.e. in the case of developments with anticipated limited transport impacts).
20. A transport assessment will, typically, identify the sustainable transport measures that will be required to ensure that the site is accessible by a choice of modes other than the private car, including cycling, walking, public transport, motorcycling and horse-riding. It should also assess the residual impact of the development traffic on the highway network, including identifying appropriate mitigation to ensure there is no detrimental impact on the safety and capacity of the highway network.
21. Early pre-application discussion with the Highway Authority (see below) is essential to determine the need for assessing potential highway impacts, the form and scope of any assessment and for the applicant to understand the transportation requirements and strategy for the local area.

KEY REQUIREMENT: Travel Plans

22. A travel plan is a package of costed measures that aims to encourage more sustainable modes of transport such as walking, cycling, bus usage or car sharing/ car clubs. A travel plan is required to support planning applications for development sites. This could be for a new school, office block, hospital, university buildings, residential areas, leisure facilities, hotels or events. Travel plans can also be created for existing sites to improve a situation. This could be to improve congestion, parking problems, recruitment and retention of staff, air quality or plans to expand.
23. A travel plan aims to reduce the number of people travelling by car alone. It should aim increase the number of people using active and sustainable travel modes. It could be for residents, employees, visitors, customers, deliveries, contractors or business vehicles.
24. Travel plans are required for all planning applications that will generate significant amounts of transport movement. It is County Council policy to require a travel plan for all residential planning applications proposing 100 dwellings or more or where a Transport Assessment is needed. A travel plan must be included when submitting the planning application.
25. Not all planning applications need a travel plan, but the County Council may request a developer provides a travel plan even if the proposed development doesn't meet the usual thresholds. This is because some smaller scale developments can have significant transport impacts. A travel plan will be required for:
 - development in or near an air quality management area;
 - development in an area that has been identified for specific initiatives for the reduction of

- traffic, or the promotion of alternative transport;
 - any area where it is known that the cumulative impact of development proposals is a cause for concern;
 - provision of new or extended school and other educational facilities;
 - an extension to an existing development that causes the site to exceed the threshold.
26. Further information is available on travel plans on the County Council's [Travel Plans webpages](#). This includes information on when a travel plan is required and how the County Council will assess a travel plan.
27. For public transport provision, the County Council seeks to facilitate dialogue between public transport providers and developers. This is to ensure that the impacts of new development (increased demand for public transport networks and services) are understood and appropriately mitigated.
28. The County Council does not itself ordinarily seek financial contributions towards public transport provision. To ensure delivery of new or improved public transport provision, the County Council instead secures the requirement through the use of section 106 Agreement, with the delivery and associated funding of services agreed directly between developers and public transport operators.

Assessing needs and calculating demand

29. Where new transport infrastructure is required to mitigate a development (see above on transport assessments), this must be fully funded and delivered directly by the developer in most cases. The developer will be required to enter into a section 278 agreement with the County Council as Local Highway Authority to enable them to undertake work on the highway. The cost of the required works must be calculated by the applicant (or by the County Council if requested) in order to evaluate the full package of works required to support the scheme to ensure the identified works are feasible. The proposed cost assumptions may be reviewed by a cost consultant on behalf of the county council if required.
30. All work within or affecting the highway will be subject to technical approval by the Local Highway Authority prior to commencement on site. Scheme details and the need for any inspection fees and surety payments are to be agreed with the Highways Development Planning team at the County Council.
31. Alternatively, or additionally, planning obligations are also considered in determining the acceptability of a proposed development. Obligations can be used to ensure accessibility by sustainable travel modes is maximised, safe access is secured, and development-related impacts such as traffic congestion are minimised. Requirements are identified through Transport Assessments and other necessary evidence, as applicable to the scale of the development.
32. This recognizes that planned development can have a cumulative impact on transport infrastructure, requiring improvements which cannot be delivered fully by an individual development. In such circumstances, the County Council will require the developer to enter into a legal agreement under a section 106 (or section 278 legal agreement on occasion), to

secure the contribution, and the County Council would procure the works. The required level of contribution will be calculated on a site-specific basis, dependent on the scale of development, the specific impacts that arise and the reasonable proportionate cost of the infrastructure necessary to make the development acceptable.

33. Examples of infrastructure for which contributions may be required therefore include;

- Schemes identified in Local Cycling Walking Infrastructure Plans
- Schemes identified in Area wide or Town/City Transport Strategies for example City of Winchester Movement Strategy; Waterside Transport Strategy
- Traffic reduction measures- including improved provision for sustainable modes
- Improved public transport/ sustainable modes facilities such as bus waiting facilities or cycle parking
- Bus and cycle priority measures
- Specific improvements identified as part of Walking Cycling Horse riding Assessment Reports to support routes between the site and key destinations
- Junction capacity improvements

34. A number of plans and strategies identify the sustainable transport and accessibility measures for which contributions might be sought, depending on the scale and location of planned development. Further plans prepared by the County Council will follow in order to implement the objectives in the Local Transport Plan (LTP4) at the local level.

35. Where the County Council has adopted Local Cycling Walking Infrastructure Plans (LCWIPs), the status of these plans is updated online on the County Council's Strategic Transport Plans and Policies webpage (See weblinks at the end of this chapter). All potential options identified in the LCWIPs are based on concept design only and therefore all costings are high level and approximate based on similar schemes elsewhere. Schemes prioritised for implementation will be subject to a full design process, including public consultation during which detailed costings will be developed.

36. The County Council strongly encourages early engagement with developers on all scales of development but particularly on large strategic scale sites where it is considered vital. There are many benefits of a developer entering into discussions with the Local Highway Authority before the submission of a planning applications.

37. Information on the County Council's pre-application highway advice service for developers including information about the charges, is available online from the highways pre-application advice webpage (see *Further Information*). The advice service includes:

- Review of Local Plan Allocation evidence base
- Early collaboration regarding design codes/master-planning principles
- Review of the development proposals in the context of the Highway Authority's Technical Guidance Notes
- Review the scope of information required in order to enable us to assess a planning application
- Review of requirements to satisfy policy requirements
- Sharing of information on County Council Local Policies/initiatives
- Likely requirements for financial contribution or provision of sustainable transport improvements and or highway mitigation schemes.
- Likely suitability of proposals for highway adoption (including design and use of materials).

- Review of access location/ junction form.

Further Guidance for developers (Highway Works)

38. Section 278 of the Highway Act 1980 allows a developer to carry out approved works on the public highway, provided the Local Highway Authority is satisfied such work is of benefit to the public. A s278 agreement sets the standards by which the works must be constructed and provides for the collection of any fees associated with the approval of the works and commuted sums for their future maintenance.
39. In most situations a s278 agreement will follow the granting of planning permission for a development that requires the works, to provide adequate access or other associated infrastructure to mitigate for the impact of the development. Works must be carried out in a manner and to a standard that is acceptable to the Local Highway Authority, and so it is necessary that the designs be assessed through a design checking process.
40. Further information can be found in the County Council's Highway Development Agreements Guidance in Hampshire, an overview guide for developers which is available online (See weblinks at the end of this chapter) which explains the processes, costs, licensing, monitoring and review processes. It also sets out the process for agreeing the nature and extent of on-site highway works and for adoption by the County Council under section 38 (of the 1980 Highways Act) agreements and other consents, permits and authorisations, which may be required as part of the road construction / adoption processes.
41. Detailed Highway Construction Standards and Technical Guidance are produced by the Highway Authority (Please see weblinks at the end of this chapter). The County Council's Developer Portal (Please see weblinks at the end of this chapter) will guide the applicant through the submission, detailing what information is required to manage their highway agreement application. The County Council has also produced planning applications guidance which sets out transport related matters to be considered in the construction of new schools or extensions and other changes at existing schools which may give rise to traffic and transport considerations.
42. The adoption of new highway infrastructure from new developments result in the County Council, as the Highway Authority, incurring increased maintenance costs for those assets in perpetuity. Commuted sums to cover these additional costs can be recovered from the transferring landowner to enable the new infrastructure to be maintained to the required standards. Commuted sums are financial contributions made by third parties to Highway Authorities as compensation for taking on the future maintenance responsibility for newly created highways or highway improvements. They are typically, although not invariably, secured through Section 38 and/or Section 278 legal agreements made with developers and landowners.
43. Commuted sums are generally secured for all non-standard materials and assets from new developments. The commuted sum is calculated, where feasible and appropriate, to cover the difference in costs between maintaining the 'standard' and 'non-standard' materials and assets to be paid. The County Council's latest Commuted Sums Policy Guidance (2023) applies to all planning submissions validated on or after the 1 July 2023 where Section 38 and Section 278 agreements are required.

44. Developers should not assume that the County Council will accept responsibility for or maintain all highway infrastructure. Any asset that a developer is seeking the County Council to adopt must be in an appropriate condition and any required maintenance work at that time must be completed by the developer prior to transfer.

Further Information

Contact Highways.development.control@hants.gov.uk

Local Transport Plan 4 (LTP4)	Hampshire County Council	www.hants.gov.uk/transport/localtransportplan	Link checked Oct 2023
Highway Maintenance Management Policy and Strategy	Hampshire County Council	https://documents.hants.gov.uk/highways/HighwaysAssetManagementStrategy.pdf	Link checked Dec 2023
Manual for Streets	Department for Transport	www.gov.uk/government/publications/manual-for-streets	Link checked Nov 2023
Transport evidence bases in plan making and decision-taking,	Department for Levelling Up, Housing & Communities	www.gov.uk/guidance/transport-evidence-bases-in-plan-making-and-decision-taking	Link checked Nov 2023
Travel Plans, Transport Assessments & Statements	Department for Levelling Up, Housing & Communities	www.gov.uk/guidance/travel-plans-transport-assessments-and-statements	Link checked Nov 2023
Pre-application highway advice service for developers	Hampshire County Council	www.hants.gov.uk/transport/developers/preapplication	Link checked Nov 2023
Transport Requirements for School Planning Applications	Hampshire County Council	www.hants.gov.uk/transport/developers/schooltravel	Link checked Nov 2023
Travel Plans	Hampshire County Council	www.hants.gov.uk/transport/developers/travelplans	Link checked Nov 2023
Highway Development Agreements Guidance: AN overview Guide for Developers in Hampshire (June 2021)	Hampshire County Council	https://documents.hants.gov.uk/transport/Highway-Development-Agreements-Guide.pdf	Link checked Nov 2023
Commuted Sums Policy Guidance for New Highway Infrastructure (May 2023)	Hampshire County Council	www.hants.gov.uk/transport/developers/commuted-sums	Link checked Nov 2023
Highway construction standard details	Hampshire County Council	www.hants.gov.uk/transport/developers/standards-details	Link checked Nov 2023
Developers Portal	Hampshire County Council	https://developerportal.hants.gov.uk/Home/Index	Link checked Nov 2023
Strategic Transport – Plans and policies (including LCWIPs)	Hampshire County Council	www.hants.gov.uk/transport/strategies/transportstrategies	Link checked Nov 2023

Guidance on Planning Obligations and Developer Infrastructure Contributions

Part 5: Countryside, Public Rights of Way & Green Infrastructure

Summary

- This Guidance sets out the County Council's approach to new development in Hampshire where it may be necessary for new or improved countryside or rights of way infrastructure in its broadest sense, or a requirement to make financial contributions towards their provision.
- It sets out the legal and statutory duties for the maintenance of County Council owned designated sites and highways (Public Rights of Way), and explains how the County Council will work in partnership with local planning authorities, landowners and developers to meet its statutory duty to manage the countryside.
- Countryside Services and the PROW network provide multi-functional benefits in facilitating sustainable development. Not only in providing benefits for the development in terms of recreational provision and countryside access, but also in terms of achieving wider objectives such as for biodiversity and health and equality agendas. This important resource should be protected and enhanced for future generations to enjoy.
- Countryside Services should be consulted on all planning applications that have the potential to affect its countryside sites, and those that have a potential impact on PROW, as part of the highway network.
- The County Council produces a Countryside Access Plan (CAP) which sets out its priorities for improving access to the countryside, including policies and actions.

Infrastructure Needs & Planning Background

1. Government planning policy in the National Planning Policy Framework (NPPF) at paragraph 98 notes:

“Access to a network of high quality open spaces and opportunities for sport and physical activity is important for the health and well-being of communities, and can deliver wider benefits for nature and support efforts to address climate change. Planning policies should be based on robust and up-to-date assessments of the need for open space, sport and recreation facilities (including quantitative or qualitative deficits or surpluses) and opportunities for new provision. Information gained from the assessments should be used to determine what open space, sport and recreational provision is needed, which plans should then seek to accommodate.”

2. Paragraph 100 requires that planning policies and decisions should:

“...protect and enhance public rights of way and access, including taking opportunities to provide better facilities for users, for example by adding links to existing rights of way networks including National Trails.”

3. At paragraph 120 it also supports measures that would achieve environmental net gains,

enable new habitat creation or improve public access to the countryside. The provision of green infrastructure is also supported in the NPPF as a result of the benefits it can bring in terms of the design and quality of places and addressing climate change mitigation and adaptation (paragraph 20), enabling and supporting healthy lifestyles (paragraph 92) and improving air quality (paragraph 186).

4. The Highways Act 1980 places a responsibility on all councils to protect public rights of way and the public's priority access and safety. The potential impact of a development proposal on the network is also a material planning consideration in the determination of planning applications.
5. As well as achieving the above NPPF objectives, country parks, PROW, and other countryside visitor destinations have a wide range of positive impacts in terms of a range of less tangible benefits such as health and well-being, mental health, and quality of life. They also have biodiversity benefits and, placed strategically, can divert visitor pressure away from more ecologically sensitive locations. The County Council expects developers to make appropriate provision in development proposals to protect and enhance the provision of green infrastructure, country parks and open spaces, and PROW in order to achieve these broader policy objectives.
6. PROW are categorised as:
 - Footpaths (for walking, running, mobility scooters or powered wheelchairs. New public footpaths should have a minimum width of 2.0 metres);
 - Bridleways (as footpaths, plus cycling and horse riding. New bridleways should have a minimum width of 3 metres);
 - Restricted byways (as bridleways, plus any vehicle without a motor. New restricted byways should have a minimum width of 3 metres); and
 - Byways Open to All Traffic (abbreviated to BOAT, for all uses, including motor vehicles. The minimum width of a BOAT is usually around 3 metres. It is not possible to create a new BOAT).

Existing Provision: Countryside in Hampshire

7. Approximately 85% of Hampshire is classed as rural with over a third protected for its beauty and iconic landscapes. Hampshire Countryside Service manages 3,658 hectares of land including more than 80 sites and 7 strategic scale destination parks and visitor attractions. The service is also responsible for ensuring that the 2,800 miles (4,200km) of public rights of way (PROW) in the county are safe and easy to use.
8. The County Council's responsibilities (as Local Highway Authority) in respect of PROW include:
 - Signposting all PROW that leave a public highway;
 - Maintaining the Definitive Map as the definitive legal record of PROW;
 - Maintaining the PROW network so that it can be used safely by all those permitted to use the PROW;
 - Ensuring landowners carry out their duties in respect of keeping PROW open

and free from obstacles and taking action if they fail to do this;

- Determining applications (diversion orders) to close, modify or re-route PROW either permanently or temporarily.
9. As well as being legally defined in the highway hierarchy and serving a leisure/recreation function, PROW play an increasingly important role as an option for active travel providing an alternative to the private car and other powered forms of transport. They are also important in facilitating access to the countryside which can be important in helping deliver public health objectives. They provide a crucial part of the Green Infrastructure network for local areas.
 10. Public rights of way are public highways that are legally protected in the same way as roads. The County Council has a statutory duty as local highway authority to protect and maintain the network of public rights of way (PROW) across the county.
 11. The County Council manages a number of country parks and related facilities which provide important recreational and environmental resources for the residents of Hampshire and beyond.
 12. The King Charles III England Coast Path is a new national trail being created by the Government along the entire length of England's coastline. Hampshire's provision is well underway; being managed by Hampshire County Council and the New Forest National Park. The path commonly follows PROW and public highway, but can also run on other routes. The path carries material weight in planning and should be treated as such.

Strategic Background

13. Under the Countryside and Rights of Way Act (2000) highway authorities were required to prepare a Rights of Way Improvement Plan by November 2007. This has subsequently been updated as part of the Countryside Access Plan, the most recent of which is the 2015-2025 Hampshire Countryside Access Plan (CAP). This performs the role of a Rights of Way Improvement Plan but looks more widely at access to the countryside generally rather than just via rights of way. Revision of the CAP is due in 2025.
14. The CAP identifies eight county-wide issues that the Countryside Service faces in the management of countryside access in Hampshire:
 - Condition of the rights of way network;
 - Getting to the countryside from urban areas;
 - Using roads as part of the access network;
 - Connectivity of routes;
 - Impacts on land management;
 - Information provision;
 - Meeting the needs of all users; and
 - Joint working with other countryside interests.

15. These priorities are clearly relevant in the consideration of development proposals which could have impacts on the PROW network. However, new development also provides the opportunity to improve the network and connectivity to allow residents better access to the countryside.
16. The latest CAP identifies two particular priorities from consultation and an assessment of need:
 - a. Maintaining and improving the condition of the rights of way network
 - b. Improving connectivity of the network
17. As well as setting priorities, the CAP identifies a range of wider objectives such as expanding the capacity and attractiveness of existing countryside sites and the PROW, to relieve pressure on more sensitive environmental assets such as Special Protection Areas designated under national and European legislation. It also identifies opportunities to improve access and natural green spaces for pedestrians and cyclists from urban and peri-urban areas. These sustainable transport corridors and green infrastructure are essential to increasing the mobility of communities, reducing car use and improving health and well-being.
18. Countryside Services interests may overlap with other consultees regarding natural capacity, climate change mitigation and biodiversity net gain. Accessible natural greenspace is a requirement of development, where relevant.

Obligations and Developer Infrastructure Contributions

19. Local planning authorities in Hampshire are broadly responsible for securing appropriate open space provision alongside new development, including large scale facilities such as new country parks. Accordingly, this Guidance focuses on countryside access and PROW which is separate from and additional to any local authority open space provision.
20. New development can place increasing pressure on, or can directly conflict with, PROW and other countryside recreational facilities. Where new development is expected to have an adverse impact on a County Council countryside site, the County Council expects that any impact will be mitigated by the developer.
21. The County Council welcomes pre-application engagement with applicants to provide guidance to ensure suitable mitigation is provided in accordance with the provisions of the NPPF and local relevant policy. Countryside Services provides guidance documents and technical notes (see *Further Information* below) specific to the impacts that development may have on PROW and County Council owned countryside sites. It should be noted that obligations and mitigation for impacts of a development are typically site specific and therefore require site-specific consideration.
22. As a statutory consultee insofar as PROW are concerned, and as the responsible body for their management and maintenance, the County Council shall be consulted by local planning authorities on development which affect PROW. Impacts can be caused when

in the vicinity of PROW, not just when PROW are present on sites. This includes:

- The existing PROW network;
- The existing and proposed King Charles III England Coast Path; and
- Allocated future PROWs identified in the 2015-2025 and future Hampshire Countryside Access Plans.

23. Where this is relevant, local planning authorities (LPAs) are encouraged to require applicants to include sufficient information to demonstrate any impact on the PROW network. LPAs are encouraged to add PROW to their local validation lists for planning applications. When consulted on applications that do not show sufficient PROW information, the Countryside Service team may object until this is rectified. The impact on PROW is important information for many stakeholders, not just the highways authority. Sound determination needs clear identification and demonstration of effects on the PROW network.
24. The Council Council's Countryside Services should be consulted on all planning applications that have the potential to affect its countryside sites. A proposed development is considered to potentially affect a County Council owned countryside site when:
- It is adjacent to it (it shares a boundary with the site); and/or
 - It is within the catchment area of the County Council owned countryside site.
25. The catchment zones for County Council owned countryside sites can be assessed by the method set out in the Greenspace Assessment: Analysing Provision, page 21 of Natural England's Accessible Natural Green Space Standards in Towns and Cities: A Review and Toolkit for their Implementation - ENRR526 (ANGST) 2007. County Council owned countryside sites can fall within all four tiers within the site hierarchy. Where relevant, applications should assess and consider their potential impacts on a County Council owned countryside site if it falls within its catchment zone.
26. In general terms, where it can be demonstrated that a new development will have an impact on a County Council owned countryside site or PROW, the County Council expects that any impact will be mitigated by the developer.
27. The impact of development on PROW is a material consideration for planning applications and development. In assessing the development proposal's impacts, the County Council will consider the potential to affect the PROW network and PROW users both within the development site itself as well as beyond the development's boundaries (i.e. off-site).
28. As explained in the Countryside Access Plan (CAP), partnership working and investment in the PROW may consist of larger-scale, capital projects to develop strategically important routes, working with larger and statutory organisations such as the National Park Authorities and District Councils. Other schemes are relatively small-scale, low-cost projects, resolving issues on paths which are unlikely to form part of the strategic network but are important in serving the needs of local communities.

Assessing needs and calculating demand

29. Typical examples of the potential impact of development on the PROW network are from various different forms of intensification of use whether this be:
- for recreation;
 - to access green space and the countryside; or
 - to access facilities, such as schools, public transport hubs or other urban services.
30. Examples of the type of impact which could arise and measures which might be employed to mitigate them are set out below.

EXAMPLE 1: Impacts on a County Council owned countryside site

31. Typically, impacts arise as a result of an increase in visitor numbers from an increase in local population from residential development. It may also be from new tourist accommodation, such as a hotel, campsite, or similar, or recreational businesses, such as a cycle hire business.
32. With respect to neighbouring development, impact from new development on a countryside site can also be in the form of pollution, amenity impact and/or similar. Examples include:
- Increase in pollution (noise, light, dust or similar) from an activity;
 - A landscape, visual, and/or amenity impact;
 - An increase in demand for recreation and use;
 - An adverse impact on green infrastructure; and/or
 - A cumulative impact contribution to one or a number of the above.

EXAMPLE 2: A new PROW, or expanding or modifying the PROW network as a result of new development

33. Where improvements are needed, their delivery will either be by the County Council following agreement of a s106 financial contribution together with any dedication that is necessary or, where the applicant owns the land, potentially directly by the applicant to the required standard. These are typically secured via a s106 legal agreement. Countryside Service Design Standards are available from the Hampshire County Council website (See *Further Information* below).
34. Contributions can be pooled for off-site delivery of new PROW or enhancement of existing PROW. The value of those contributions is based on assessment of the impact of the proposed development, the cost of works, and the required contribution to ongoing maintenance.
35. Improvements required on existing routes can include surfacing improvements, the widening of a PROW to reflect increased use, replacing stiles with standard gates to

provide accessibility, vegetation clearance, upgrading from a footpath to a bridleway, diversion, and/or increased maintenance. Proposals will require consideration of the long-term maintenance responsibility and in such situations the County Council may require a commuted sum for maintenance. These will also typically be secured through a s106 legal agreement. Commuted sums for maintenance can also be secured through a highways agreement.

36. It must be noted that receiving a grant of planning permission does not allow a landowner, applicant, nor developer to carry out any works on the surface of a PROW. A highways agreement will be required in addition to the planning permission. This may be from a Local Planning Authority making an order under S257 for diversion or extinguishment, or via a S278 or S38 agreement under the Highways Act (1980). This agreement must be entered into and completed prior to any works on any PROW. Hampshire County Council has regularly reviewed standard costings for works and maintenance of PROW. These are used to calculate contributions and commuted sums and are dependent on site specifics.
37. To secure new or additional Public Rights of Way it may be necessary for the landowner(s) to dedicate those rights. Under Section 25 of the Highways Act 1980 the County Council can enter into an agreement with the freeholder of the land to dedicate a footpath or bridleway within its area. The way may then become maintainable at public expense (i.e. the County Council has a statutory responsibility to maintain the surface of, and ensure safe access to, the PROW network). Proposals will require consideration of the long-term maintenance responsibility, and the County Council may require a commuted sum for this maintenance.
38. Once a route has been dedicated, it would be signposted and appear on Hampshire's Definitive Map and Statement and other Ordnance Survey maps.
39. Hampshire County Council has adopted standards for the required provision of commuted sums for the maintenance of PROW. These standard costings are reviewed and agreed by the County Council every six months, benchmarked against recently completed capital projects and developers are advised to seek advice at the earliest possible stage to estimate potential costs. Costs are highly dependent on individual locations and the impact caused by the development - typically, it is costs per metre for resurfacing, and for new furniture or structures, such as bridges, or new PROW.

Further Information

Contact	countryside@hants.gov.uk
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Countryside Access Plan 2015 - 2025	Hampshire County Council	https://documents.hants.gov.uk/countryside/HampshireCountrysideAccessPlan2015-2025.pdf	Link checked Dec 2023
National Planning Policy Framework	Department for Levelling Up, Housing and Communities	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1182995/NPPF_Sept_23.pdf	Link checked Dec 2023
The Highways Act (1980)	UK Government	www.legislation.gov.uk/ukpga/1980/66	Link checked Dec 2023
Public rights of way: local highway authority responsibilities	UK Government	www.gov.uk/guidance/public-rights-of-way-local-authority-responsibilities	Link checked Dec 2023
Rights of way advice note 9: General guidance on public rights of way matters	Planning Inspectorate	www.gov.uk/government/publications/rights-of-way-advice-note-9-general-guidance-to-inspectors-on-public-rights-of-way-matters/rights-of-way-advice-note-9-general-guidance-on-public-rights-of-way-matters	Link checked Dec 2023
Countryside and Rights of Way Act (2000)	UK Government	https://www.legislation.gov.uk/ukpga/2000/37/contents	Link checked Dec 2023
Public Rights of Way Including the definitive map	Hampshire County Council	www.hants.gov.uk/landplanningandenvironment/rightsofway www.hants.gov.uk/landplanningandenvironment/rightsofway/definitivemap	Link checked Dec 2023
Accessible Natural Green Space Standards in Towns and Cities: A Review and Toolkit for their Implementation (ENRR526)	Natural England	https://publications.naturalengland.org.uk/publication/65021	Link checked Dec 2023
Countryside Service Design Standards Guidance	Hampshire County Council	www.hants.gov.uk/landplanningandenvironment/countryside/designstandards	Link checked Dec 2023
Rights of Way Circular (1/09)	Defra	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/69304/pb13553-rowcircular1-09-091103.pdf	Link checked Dec 2023

Guidance on Planning Obligations and Developer Infrastructure Contributions

Part 6: Library Services

Summary

- The County Council has a statutory duty to provide a libraries and archives service for the residents of Hampshire.
- Having been through a transformation programme (2021) it is unlikely that any new library facilities will be required across Hampshire up to 2025, unless any new, currently unforeseen strategic scale developments are planned. This position will be kept under review.
- The growth of communities through smaller scale developments can still have a cumulative impact on the delivery of library services locally. Where this impact can be demonstrated, the County Council will require that impact to be mitigated, as informed by this Guidance.

Infrastructure Needs & Planning Background

1. As a local library authority, Hampshire County Council has a statutory duty to provide a “comprehensive and efficient” library service for everyone who lives, works, or studies in the county. This statutory duty derives from Section 7 of the 1964 Public Libraries and Museums Act. There is no specific definition of what constitutes a “comprehensive and efficient” service; it is for each authority to judge, based on, among other things, local community needs and available resources.
2. Nonetheless, in fulfilling its duty under the 1964 Act it does state that the library authority shall have particular regard to the desirability of the keeping of adequate stocks of books, that facilities are available for the borrowing of, or reference to, books and other printed matter and other materials sufficient in number, range and quality to meet both the general requirement and any special requirements of both adults and children.
3. The Council has a role to encourage both adults and children to make full use of the library service and providing advice and support about how to use and access services, information and resources.
4. In section 8 of the National Planning Policy Framework (NPPF) dealing with the promotion of healthy and safe communities, paragraph 93 requires that, in order to provide the social, recreational and cultural facilities and services that communities need, planning policies and decisions should:
 - a) plan positively for the provision and use of shared spaces, community facilities (such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship) and other local services to enhance the sustainability of communities and residential environments;*
 - b) take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community;*
 - c) guard against the unnecessary loss of valued facilities and services,*

particularly where this would reduce the community's ability to meet its day-to-day needs;

d) ensure that established shops, facilities and services are able to develop and modernise, and are retained for the benefit of the community; and

e) ensure an integrated approach to considering the location of housing, economic uses and community facilities and services.”

5. The County Council also has a responsibility under the Local Government (Records) Act 1962 and the Local Government Act 1972 to ensure the safekeeping and access to its records. The Public Records Act 1958 requires public records to be preserved and Hampshire County Council holds a licence as an approved place of deposit under section 4(1) of the Public Records Act 1958. The Archive collections must be available for public access.

Existing Provision: Libraries in Hampshire

6. CIPFA produce an annual 'Public Library Statistics' report and Hampshire County Council has been and remains a top performing library authority – most issues, most visits, most e-Issues of any county authority – it does so efficiently as evidenced by:
 - a. Spending less overall per 1000/population than most other English counties
 - b. having the lowest number of libraries relative to population of any English county
 - c. having less staff per 1000/population than the majority of other English counties.
7. This performance will be monitored to understand comparative trends in expenditure and income generation, and library visits (e.g. data for 22/23 is due to be published January 2024). For 2021/22 CIPFA reported average library visits of 1,536 per 1,000 people across Great Britain (survey data).
8. There are 40 Council-run libraries in Hampshire which operate a range of opening hours. Whilst Tier One libraries are open for longer hours than Tier Three libraries, there is currently no standard allocation of hours within tiers.
9. Tier One libraries are the largest and busiest libraries, providing the widest range of services. They have a catchment population of over 50,000, tend to be found in the biggest towns and are open longest - usually six days a week.
10. Hampshire's library service also comprises:
 - Online library service available 24 hours a day including eBooks, Magazines and digital resources;
 - Home library service;
 - School library service;
 - Learning in libraries;
 - Specialist library services, events and activities – a range of services for individuals

and groups.

11. Tier Two libraries are found in medium sized towns and are open on five days each week. They have a catchment of around 30,000 to 70,000 people. Tier Three libraries are located in smaller towns and villages and are open fewer days each week. Typically, they are small spaces (when compared to Tier One or Tier Two libraries) in a community building often with partners co-located. Tier Three libraries have a catchment population of around 10,000 – 40,000 people.
12. The Libraries floorspace per 1000 population (Gross) is 23m², and the net floor space: 17m². The Library service stock consists of physical stock (1,415,799 items) and digital stock (with 1,900,000 (loans per annum).
13. Data from the first six months of the 2021-22 financial year (April -Oct) shows 29% of active borrowers in Hampshire were age 0-9 years; 12% were aged 10-19 years and 21% over 70 years.
14. The library tier list in Table 1 reflects the outcome of a recent transformation programme and represents what the County Council considers to be a comprehensive and efficient library service designed to meet the needs of local communities as required by the 1964 Act. This will be kept under review through monitoring the implementation of the library service strategy and through regular customer engagement.

Table 1 Hampshire libraries listed by category (tier)

Tier One (11)	Tier Two (17)	Tier Three (12)
Andover	Aldershot	Emsworth
Basingstoke	Alton	Fordingbridge
Chandlers Ford	Eastleigh	Leigh Park
Fareham	Havant	Yateley
Farnborough	Hythe	Alresford
Fleet	Lockswold	Bishops Waltham
Gosport	Romsey	Bridgemary
Lymington	Tadley	Liphook
Petersfield	Totton	Netley
Waterlooville	Bordon	Overton
Winchester	Chineham	West End
	Hayling Island	Whitchurch
	Hedge End	
	New Milton	
	Portchester	
	Ringwood	
	Stubbington	

Strategic Background

15. Libraries are not places solely to borrow books, and function as community hubs offering services and facilities to cater for a range of community needs including those of children, students, job seekers, and the elderly. Libraries offer free, authoritative, non-judgemental information services and supported access to online resources and services. They also offer neutral places to promote community wellbeing, with access to technology and learning opportunities.
16. In 2019 The Arts Council England published “[Championing archives and libraries within the planning system](#)” which advocates for libraries and archives being considered as part of local infrastructure and contributing towards the place-shaping agenda and creating better places to live. Thus, it rightly espouses the concept that:

“...libraries enhance and enrich their community and their area; estate agents point to them in their brochures as a contributory factor in influencing people to choose a particular neighbourhood in which to settle. They are perceived to be safe, neutral and trusted spaces, free from political agendas and able to give unbiased but verifiable information on major topics. Libraries reach all sections and demographics within the community.”
17. In July 2020, (following an extensive public consultation and engagement exercise which received in excess of 20,000 responses), the County Council approved a series of measures necessary to achieve £1.76 million of savings through the libraries transformation programme & vision to 2025 as part of a Council-wide savings programme of £80 million.
18. The County Council’s Library Service Transformation – Strategy to 2025 (see *Further Information* below) has three key priorities:
 1. Promoting reading, with a focus on children’s literacy and the Early Years:
 - i. Providing a service for everyone;
 - ii. Developing children’s literacy, particularly within the Early Years (0-5 years);
 - iii. Investing in Hampshire’s Digital Library.
 2. Supporting healthy, creative communities:
 - i. Establishing council-run libraries as ‘community hubs’;
 - ii. Taking the Library Service into communities;
 - iii. Delivering a programme of learning and activities that meet the needs of library users.
 3. Investing in digital services:
 - i. Providing access to technology, prioritising those at risk of digital exclusion. All underpinned by a sound commercial strategy and business plan.

Obligations and Developer Infrastructure Contributions

19. Set against the legal and policy context, the County Council is committed to maintaining and modernising its libraries services to continue to meet the changing

needs of service users and to cope with any additional demand brought about by new development.

20. New development places increased pressure on infrastructure in a locality. That pressure applies to libraries and archives services in as much as it applies to any other social and cultural infrastructure, facility or service.
21. Contributions sought are set against the context of transformation of the Hampshire library service, and the need to ensure that the County Council is able to ensure provision of an efficient and effective archives service available to all. Significant scale planned development may require a new library facility, although there are currently no plans to open new libraries to support major planned development in Hampshire. In other cases, the County Council does not propose to seek provision for wholly new library (or archives) facilities from developers.
22. The County Council's Library Service Transformation – Strategy to 2025 (see *Further Information* below), became effective from August 2020. The Strategy includes recommendations for providing a comprehensive and efficient library service, with services funded by a balance of revenue contribution and generated income where appropriate.
23. The Strategy explains that a journey time by public transport of 30 minutes or a car journey of 20 minutes is considered reasonable access to a library building. To maintain and sustain this comprehensive service, the County Council closely monitors footfall and other statistics which it reports annually (CIPFA Public Library Statistics). With growing local populations due to housing growth, the provision may become strained (e.g. increased waiting time for books) and building usage intensified.
24. The Strategy to 2025 can provide a justification for securing contributions from developers where securing these would meet the statutory tests i.e. where there is a clear impact from new development on the library service and a justifiable reason to require the developer to mitigate that impact.
25. Arts Council England has published guidance on seeking and securing developer contributions for library and archive provision in England (2023). It acknowledges that most new planned housing development is unlikely to be at a scale that triggers entirely new facilities and amenities. But it does trigger the need to improve the scope of local services that can involve additional or reconfigured space, staff, digital capacity and accessibility, book-stock provision, and outreach such as Home Library Service expansion projects.
26. If sought, contributions would seek to ensure that physical and digital stock provision at existing sites meets demand and to extend and/or enhance existing buildings or infrastructure including creating new library spaces should they be deemed necessary. They would ensure that the library service in any given locality was able to absorb the additional demand created by the new development through an improved service offer in terms of the three service transformation strategy priorities.
27. Local authorities that charge CIL may include social infrastructure in their spending plans and priorities, and the County Council will consider local evidence of need and bid for capital funding from CIL pots to improve community facilities at existing libraries.

Calculating needs, impacts and costs

28. A requirement for developer contributions can be established by comparing the current capacity of the nearest library and population it serves, against the number of people likely to be generated by a new development within its catchment.
29. Catchment areas for libraries are not fixed boundaries but based on catchment principles e.g. Tier 1 libraries typically serve catchments >50,000 (the larger towns). For example catchment areas for the purposes of the detailed 2020 consultation were based on a collection of Census Output Areas linked to active library users.
30. Such contributions could be in the form of:
 - Upgrading of existing library facilities - This may include one or more of the following capital projects:
 - Refurbish library – including improved decoration and new flooring;
 - Reconfigure internal space (new layout) to increase lending capacity;
 - Refurbish toilet facilities;
 - Improved visitor access to library facility i.e. allowing easier access for those with young children or with mobility issues;
 - External works – such as improved parking; cycle racks etc.
 - IT Equipment; Furniture and Stock - This may include one or more of the following projects:
 - provision of books at the named library or outreach service;
 - Provision of “self-service” facilities and other potential IT equipment to increase the opening times and capacity of the library;
 - Provision of furniture e.g. book shelves; tables; chairs to increase visitor numbers;
 - Provision of computers and computing equipment - including tables;
 - Provision of learning equipment / play equipment for younger children.
31. If the data shows that population growth associated with development is increasing demands on services, the County Council may respond to planning applications seeking contributions, using the methodology below as a starting point.
32. Indicative calculations suggest that depending on dwelling size (number of bedrooms) the contribution amount sought per dwelling would range from £29-£64 for contributions towards stock only. Planning obligations for stock would be determined on a case-by-case basis, drawing upon the following data:
 - a. A formula for calculating the cost of additional stock per individual (based on agreed dwelling yields and latest census data)
 - b. Average price per physical stock item (based on Hampshire expenditure data)
 - c. Latest national guidance on recommended stock per 1,000 population

33. Major/ strategic scale development may justify seeking more than just a stock-only contribution, and The Museums, Libraries and Archives document: Public Libraries, Archives and New Development, A Standard Charge Approach (May 2010), suggests a standard charge of £112 (index-linked) per person for the South East, and gives benchmarks as to how much space per population should be provided. The most up to date recommended standard would be used as a starting point for any negotiations regarding planning obligations, and a per dwelling contribution sought.
34. Arts Council England guidance on seeking and securing developer contributions for library and archive provision in England (2023) includes methodologies for calculating library infrastructure contributions.

Further Information

Contact	county.library.hq@hants.gov.uk
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Hampshire County Council Library Service Transformation – Strategy to 2025 Executive Member for Recreation and Heritage Decision Day - Tuesday, 28th July, 2020	Hampshire County Council	https://democracy.hants.gov.uk/ieDecisionDetails.aspx?Id=1542	Link checked Nov 2023
National Planning Policy Framework (last updated September 2023)	Department for Levelling Up, Housing and Communities	www.gov.uk/government/publications/national-planning-policy-framework-2	Link checked Nov 2023
Guidance on seeking and securing developer contributions for library and archive provision in England (2023)	Arts Council England in partnership with The National Archives	www.artscouncil.org.uk/research-and-data/guidance-seeking-and-securing-developer-contributions-library-and-archive-provision-england	Link checked Nov 2023
Championing Archives and Libraries within Local Planning	Arts Council England in partnership with The National Archives	https://cdn.nationalarchives.gov.uk/documents/archives/championing-archives-and-libraries-within-local-planning.pdf	Link checked Nov 2023
The Museums, Libraries and Archives document: Public Libraries, Archives and New Development, A Standard Charge Approach (May 2010)	Museums, Libraries & Archives Council (MLA)	https://framptons-planning.com/wp-content/uploads/2021/03/CD-G17-May-2010-Public-Libraries-etc-standard-charge.pdf	Link checked Nov 2023



Guidance on Planning Obligations and Developer Infrastructure Contributions

Part 7: Waste Management Infrastructure

Summary

- The County Council has a statutory responsibility as a Waste Disposal Authority to provide facilities to enable local residents to safely manage their waste.
- This document sets out how the County Council will work in partnership with local planning authorities, landowners and developers to ensure that the County Council is able to meet its statutory duties as a Waste Disposal Authority.
- When measured against national benchmarks and other similar authorities Hampshire is well provided for in terms of the numbers of HWRCs (household waste recycling centres (HWRCs)).
- Some older HWRCs are no longer considered 'fit for purpose' in terms of safety and access arrangements.
- While it is unlikely that the County Council will seek the provision of new HWRCs (other than if a major strategic scale development was proposed which could result in a rationalisation of existing provision), where there is a demonstrable impact on waste infrastructure, contributions may be sought to improve nearby older facilities.

Infrastructure Needs & Planning Background

1. National planning policy on waste management is set out in Government's 2014 National Planning Policy for Waste; it also refers to the 2013 Waste Management Plan for England. Both documents set out Government's ambition to work towards a more sustainable and efficient approach to resource use and management. They recognise that positive planning can play a pivotal role in delivering the country's waste ambitions. These ambitions are based on a hierarchical approach to:
 - Minimise waste generation;
 - Reuse materials as much as possible; and
 - Manage materials at the end of their life to minimise their impact on the environment.
2. The Waste Management Plan for England was updated in 2021 and develops the themes set in previous plans and policy, seeking to avoid generating waste, increasing recycling rates, the diversion of waste from landfill and the recovery of energy from waste disposal.
3. The Waste Planning Practice Guidance encourages close co-operation between waste planning authorities and local planning authorities in terms of developing waste planning policy and determining waste planning applications. Pre-application discussions between counties and their districts is strongly encouraged. Not least since, while Hampshire County Council is the waste disposal authority for Hampshire the district and borough councils are the waste collection authorities.

Existing Provision: Household waste management in Hampshire

4. Hampshire County Council has, in conjunction with the City Councils of Portsmouth and Southampton, entered a waste disposal service contract (now extended to 2030) with Veolia UK. The joint working arrangements put in place have enabled the Councils to include recycling infrastructure within the remit of the contract. Investment has been made across a suite of waste management infrastructure solutions, including composting facilities and the network of HWRCs (to take bulky materials that cannot

be collected kerbside).

5. Across the Hampshire area, around 60% of waste brought to HWRCs is recycled. HWRCs across the Project Integra area receive around 200,000 vehicle movements into and out of the centres each year. Hampshire's 24 HWRCs (plus one in Southampton and one in Portsmouth) are spread geographically around the county.
6. The County Council has invested significantly in its HWRC service, with a comparatively high number of HWRCs compared to similar authorities. For example, the Waste and Resources Action Programme (WRAP) suggest best practice metrics, including seeking to ensure a minimum level of provision of 50,000 households per site, compared to just over 26,000 households per site in Hampshire. For this reason, Hampshire County Council aims to improve and future proof its existing HWRC network, rather than increase the total number of sites.
7. Leading waste and resources charity WRAP's best practice recommends that modern split level sites (where servicing vehicles are kept separate from the public, who in turn have level access to bins) can improve site efficiency and increase recycling rates. This is supported by Hampshire's experience, where 2019/20 data shows an average recycling, recovery and reuse rate of 86% at split level sites compared to 81% at single level sites.
8. Split level sites also provide better accessibility for customers, including those with mobility issues, and improved onsite safety. Nine of Hampshire's HWRCs are older, small single level sites. In addition, some older sites have outstanding location or layout issues which need addressing to better meet the needs of future populations and support the County Council in reaching the Government's 2020 Circular Economy Package target of recycling 65% of municipal waste by 2035.
9. The HWRC sites in need of investment are identified based on criteria including existing ground conditions; single level sites; on-site health and safety or accessibility issues. Based on these criteria, the County Council regularly reviews those HWRCs identified as priorities for investment (or rationalisation), to ensure the facilities can continue to support communities and meet users' needs.

Strategic Background

10. Waste management infrastructure requirements need to be considered in light of the anticipated requirements of the Government's Resources and Waste Strategy (2018), and the changes in services that will be required. This strategy sets out how the Government plans to double resource productivity and eliminate avoidable waste of all kinds (including plastic waste) by 2050.
11. The Environment Act 2021 brings in new policies that will require local authorities across England to make significant changes to the way they collect household waste, specifically the requirement to collect for recycling both a set list of dry recycling materials as well as source segregated food waste. In October 2023 DEFRA published 'Simpler Recycling' which set out more details on the implementation of the recycling requirements set out in the Environment Act 2021. This will lead to a need for new / redeveloped dry recycling infrastructure as well as delivering capacity to manage kerbside collected food waste. The reforms include proposed implementation dates by which new requirements must be complied with, with the first requirements for domestic (household) collections expected by April 2026. Work is underway to

establish what this compliance means in terms of local infrastructure provision.

12. Project Integra is a partnership between the County Council, the two Hampshire unitary authorities (Southampton & Portsmouth City Councils), the 11 Hampshire district councils and Veolia as the incumbent contractor. It adopts a four- pronged waste hierarchy approach of:
 - waste management (waste reduction);
 - recycling;
 - energy recovery; and
 - as a last resort, landfill.
13. Across the Project Integra area there is a suite of waste management infrastructure. In September 2021 the County Council agreed its Joint Municipal Waste Management Strategy which sets the strategic direction for the Project Integra Partnership up to 2035. It aims to introduce new measures to address all aspects of the waste hierarchy and so reduce the generation of waste, improving recycling and further reducing the amount of waste going to landfill.
14. The strategy notes in chapter 2 that: *In 2019/20 Hampshire's recycling rate was 41.7% (across all recycling services, including HWRCs). The highest performing Partner had a recycling rate of 41.3%, with the lowest performing Partner having a recycling rate of 24.8%. Overall, the County sits within the lower half of the English local authority recycling performance league table, with the majority of partners sitting in the lower quartile. The recycling, reuse and composting rate has increased over time but has plateaued over 2018/19 and 2019/20. The level of performance being achieved has resulted in pressure being exerted on some Partner authorities by the Secretary of State to make improvements.*
 - * Note that these statistics are for the Project Integra area and so include Southampton & Portsmouth.
15. It is against this background of a relatively low level of household recycling in Hampshire and a changing policy context in terms of the Environment Act 2021, emerging climate change and carbon reduction policies, that the Council may need future investment in waste management infrastructure to meet emerging targets, and to be able to cater for both an increasing population and an increasing use of waste facilities.

Obligations and Developer Infrastructure Contributions

16. WRAP recommends a driving distance of up to 5 miles in urban areas or 7 miles in rural areas to HWRCs for the majority of residents. In a largely rural county like Hampshire it is not realistic to fully meet this target and deliver a cost-effective service for all areas. Hampshire does however already significantly exceed the WRAP recommended minimum catchment per site of 50,000 households. Notwithstanding the geographic distribution and accessibility of HWRCs, the County Council aspires, where possible, to upgrade existing single level sites to split level, to continue to invest and improve the HWRC network of facilities.
17. Housing growth proposed in the catchments of the HWRCs places additional pressure on these sites including:
 - The need to service the HWRCs more frequently, at which times the single level HWRCs must be temporarily closed to public access for up to 20 minutes at a

time for Health and Safety reasons;

- The HWRC no longer being deemed 'fit for purpose', with regard to householder usability and capacity;
 - Increased pressure on HWRCs with pre-existing operational constraints i.e. size and location of size, design of site layout for example single level site with steps.
18. Where residential development has potential to have an identified impact on HWRC capacity, contributions towards HWRC improvements might be sought to mitigate that impact where this is demonstrated. Planning contributions could be in the form of the provision of land to facilitate a relocation or a financial contribution towards service improvement. Financial contributions will normally be pooled to improve or relocate those HWRCs in need of upgrading or relocating, closest to the developments from which a contribution was sought.
19. An alternative approach, where it can be justified in the context of the planning obligation tests, would be for funding from developments to contribute financially towards community reuse hubs. Reuse hubs divert bulky household items (including furniture) from HWRCs and kerbside collections for repair/refurbishment by local community organisations, and onward resale. Hubs provide social value to the community through skills development while also making good quality, reasonably priced furniture available to the community. The full costs of this relatively new concept will be informed as its usage becomes more widespread, and will be dependent on the nature of the waste management facilities on-site and associated build costs.

Assessing needs and calculating demand

20. To determine the impact of new developments on both the HWRC network and wider waste infrastructure, and appropriate measures which might be necessary to mitigate any impact, the County Council welcomes early engagement from both developers or local planning authorities proposing major new areas for growth or development.
21. The County Council's waste management team can provide data and information about existing facilities (HWRCs) which are nearing capacity and advise on the likelihood that development within a catchment would put pressure on this capacity. Owing to more recent investment in HWRCs and modernisation associated e.g. with strategic development, some parts of the county will be able to support planned growth more so than others. Either way, the County Council waste management team seek engagement in proposed development schemes of over 500 dwellings.
22. New residential development in the County can be expected to generate an increase in the overall amount of household waste. Depending on the size of the development, this can have a varying impact on the existing local HWRC network. The impact of increased user pressure will be calculated on a case-by-case basis based on the size and location of the proposed residential development.
23. Where it is expected that new housing development will generate additional pressure on one or more local HWRCs, funding through developer contributions will be sought to help provide the necessary additional capacity and mitigate the impacts of that

development. Where justified, developer contributions may be sought towards funding the following:

- HWRC alterations and improvements;
 - Provision of new equipment;
 - Extensions and/or redevelopment of existing HWRCs;
 - Construction of a new HWRC;
 - Provision of reuse facilities; and
 - Other relevant measures as set out in the Joint Municipal Waste Management Strategy.
24. The level of contribution sought will take account of recent capital costs associated with HWRCs works, or relevant feasibility studies, and will depend on the size and scale of any works required and the rate of build cost inflation.
25. Where, exceptionally, a new HWRC needs to be provided (for example to mitigate the impact of a new large strategic scale development), the County Council will require the following provision:
- A minimum plot size of approximately 0.8 hectare (1.95 acres) of suitable rectangular land on which a new 'split-level' HWRC could be built.
 - The dimensions of the 0.8 hectare site required for the footprint of the HWRC is 120 metres by 63 metres (excluding landscaping buffers as required). This would enable a new HWRC to be provided with approximately 16 waste container bays.
26. Further to site size requirements, a suitable location site for a new HWRC should be in accordance with Policy 29 of the adopted Hampshire Minerals and Waste Local Plan. The land supplied must also be able to accommodate a 'split-level' HWRC. The site must:
- Be freehold and have the benefit of full vacant possession, which will be passed to Hampshire County Council for a nominal consideration;
 - Have planning permission, or be capable of obtaining permanent planning permission, for a split-level HWRC;
 - Have nearby connections to mains services and sewers to serve the site (power, BT, water supply, surface water and foul sewers essential);
 - Be in the right location with a suitable access road to allow for servicing vehicles to pass;
 - Be capable of being granted an Environmental Permit by the Environment Agency;
 - Be a site cleared of all spoil, buildings, and rubbish; and
 - Be free of any contamination (i.e. if contamination is present it has been cleaned before the County Council accepts the land).

Further Information

Contact waste.management@hants.gov.uk

National Planning Policy for Waste (2014)	Department for Levelling Up, Housing & Communities	www.gov.uk/government/publications/national-planning-policy-for-waste/national-planning-policy-for-waste	Link checked Dec 2023
Environment Act 2021 Part 3 Explanatory Notes	TSO	www.legislation.gov.uk/ukpga/2021/30/part/3/enacted /www.legislation.gov.uk/ukpga/2021/30/pdfs/ukpgaen_20210030_en.pdf	Link checked Dec 2023
Waste Management Plan for England (2013)	Department for Environment, Food and Rural Affairs	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/265810/pb14100-waste-management-plan-20131213.pdf	Link checked Dec 2023
Project Integra – Hampshire Joint Municipal Waste Strategy (2021)	Project Integra / Hampshire County Council	https://democracy.hants.gov.uk/documents/s81998/Report.pdf https://democracy.hants.gov.uk/documents/s81999/Appendix.pdf	Link checked Dec 2023
Hampshire Waste Strategy	Veolia	www.hampshire.veolia.co.uk/waste-management/hampshire-waste-strategy	Link checked Dec 2023
Find your nearest Household Waste Recycling Centre	Hampshire County Council	www.hants.gov.uk/wasteandrecycling/recyclingcentres/hwrcfinder	Link checked Dec 2023
Government's 2020 Circular Economy Package	UK Government	www.gov.uk/government/news/circular-economy-measures-drive-forward-ambitious-plans-for-waste#%3A~%3Atext%3DIn%20the%20latest%20step%20in%20going%20to%20landfill%20by%202035	Link checked Dec 2023
Simpler Recycling: Consistency in household and business recycling in England (Nov 2023)	DEFRA	www.gov.uk/government/consultations/consistency-in-household-and-business-recycling-in-england/outcome/government-response	Link checked Dec 2023
Hampshire Minerals & Waste Plan	Hampshire County Council	www.hants.gov.uk/landplanningandenvironment/strategic-planning/hampshire-minerals-waste-plan	Link checked Dec 2023

Guidance on Planning Obligations and Developer Infrastructure Contributions

Part 8: Public Health

Summary

- The County Council has responsibility for ensuring the health and wellbeing of Hampshire's population. This Guidance sets out how the County Council will work in partnership to ensure it is able to meet its statutory duties as a Public Health body, as a key stakeholder in the planning process.
- A detailed joint strategic needs assessment (JSNA) and a public health strategy provide information and evidence which will assist local planning authorities and others in ensuring that provision for public health is made in local decisions about new development.
- The achievement of public health objectives cuts across a number of other areas of local authorities' responsibility, including transport planning for healthy neighbourhoods, active travel, access to green space, and addressing air quality.
- A number of influential reports and practical guidance documents champion the need to take into account public health impacts in plan-making and decision-taking.
- Local planning authorities are encouraged to put public health and wellbeing at the heart of its place making agenda.
- The preparation of health impact assessments (HIAs) can help inform and facilitate this and the County Council's public health team welcomes early dialogue with developers and local planning authorities to ensure that healthier outcomes and design are secured in new development proposals.
- Website links to the key documents are listed at the end of the section.

Infrastructure Needs & Planning Background

1. Poor health and health inequalities in England are estimated to cost the NHS an extra £4.8 billion a year from the greater use of hospitals by people in deprived areas and cost the UK £31-33 billion a year in lost productivity (see Public Health England, *A guide for local authority public health and planning teams* (2020)).
2. The Health and Social Care Act 2012 gave responsibility for the improvement of public health and health protection to upper tier and unitary authorities such as Hampshire County Council. The Act gave local authorities a new duty to take such steps as they consider appropriate for improving the health of the people in their area.
3. In implementing this duty, the County Council works with its NHS partners including NHS England, the Care Commissioning Groups, NHS Trusts, GP Partnerships and voluntary organisations to invest public funds in the commissioning of healthcare services in Hampshire. The strategy aims to deliver improved health and wellbeing outcomes for everyone in Hampshire, driven by individual choice and with less dependency on health and social care provision.
4. The link between planning and health has been long established. The built and natural environments are major determinants of health and wellbeing. The National Planning Policy Framework (2023) recognises the significant synergies between environment and

health and as such embeds health within the planning system as forming a key part of the social objective of achieving sustainable development (paragraph 8b).

5. The NPPF (2023) specifically includes a reference to health infrastructure as something towards which developer contributions might reasonably be sought (paragraph 34). Chapter 8 of the NPPF is about promoting healthy and safe communities:

“Planning policies and decisions should aim to achieve healthy, inclusive and safe places which: . . . [..]...enable and support healthy lifestyles, especially where this would address identified local health and well-being needs – for example through the provision of safe and accessible green infrastructure, sports facilities, local shops, access to healthier food, allotments and layouts that encourage walking and cycling.”

6. Government planning guidance on promoting healthy and safe communities notes that planning and health need to be considered together on two ways:

“...in terms of creating environments that support and encourage healthy lifestyles, and in terms of identifying and securing the facilities needed for primary, secondary and tertiary care, and the wider health and care system (taking into account the changing needs of the population).”

Paragraph: 001 Reference ID:53-001-20190722

7. The built and natural environment where we live, work and play is inextricably linked to health and wellbeing and can determine the health outcomes of individuals and populations. Whilst access to healthcare is important, 90% of people's health and wellbeing is linked to the wider determinants of health such as neighbourhood design, quality of homes, exposure to air pollution, access to green space, climate resilience, contact with good quality education and employment opportunities, maximisation of opportunities to connect communities via community facilities and sustainable active travel options.
8. An ageing population is a growing consideration for Hampshire requiring significant care infrastructure, as well as an awareness of those needs in the delivery of other infrastructure. The development of the built environment should become adaptive to these needs, supporting access and physical activity which should be integral in well-designed neighbourhoods.

Existing Provision: Public Health needs in Hampshire

9. Public Health in Hampshire does not itself provide infrastructure but provides or commissions a range of services, seeking to tackle health and social care priorities including domestic abuse support, healthy weights, falls prevention and school nursing services, for examples.
10. The Director of Public Health in every local authority in England is required to produce an annual report on the health of their residents. The County Council has produced a wealth of local evidence on the health needs of Hampshire's population in the form of the Joint Strategic Needs Assessment (JSNA). The JSNA looks at the current and future health and wellbeing needs and inequalities within the Hampshire population and

provides the context for the planning and commissioning of health service and infrastructure to address these needs and inequalities.

11. This Joint Strategic Needs Assessment evidence has been used to inform the preparation of the County Council's Public Health Strategy 2023 – 2026. The JSNA also includes placed-based intelligence and planning authorities are encouraged to review the report for the relevant Hampshire district area to identify public health priorities across wide ranging issues. This includes topics such as green space accessibility, healthy homes, social and digital isolation, air quality and community safety.

Strategic Background

12. Hampshire's Public Health Strategy (2023-2026) explains that buildings, spaces and the natural environment around us are part of the building blocks of health. The Strategy includes three Strategy Themes: Healthy Places; Healthy People and Healthy Lives.
13. A key area of focus within the Public Health Strategy's Healthy Places theme is planning strategy, policy and practice- to ensure places built for Hampshire's communities are accessible, safe and sustainable. This recognises the need for health practitioners to engage with the planning system to implement a range of actions which can improve public health. To work in partnership with planning authorities, the Council has a Planning for health ambition, so that the Council will:
 - support spatial planning to understand and develop the best way to improve people's health, including using this to design healthier schools
 - implement Air Quality guidance and Supplementary Planning Documents with Hampshire's Districts and Boroughs
 - take the lead with health colleagues to address how planning and place can improve health, using a 'whole system approach'
14. The transport and climate change ambitions within the Healthy Places strategy aligns closely with the Local Transport Plan 4 as set out in Part 4 of this Guidance.
15. The issue of planning for public health encompasses a range of cross-cutting considerations related to the planning and delivery of new development necessary to create healthy, high-quality sustainable places, including:
 - high quality health focused urban design approaches;
 - affordable, adaptable, appropriate and high quality housing which meets the full range of identified needs;
 - provision of and safe access to open spaces, nature and recreational facilities;
 - adaptable spaces, landscape and buildings;
 - accessibility to services and facilities (including health & social care);
 - green and blue infrastructure;
 - sustainable climate resilient infrastructure; and
 - (where appropriate) mitigation of poor air quality.

Obligations and Developer Infrastructure Contributions

16. A projected increase of over 350,000 people in Hampshire over the 30-year period 2020-2050 (based on the POPGROUP projections model) will impact on public health services across the County from hospital and emergency services provision, mental health and adult social care, GP services and so on.
17. The County Council's own demographic forecasting model (Small Area Population Forecasts) suggest an increase from 1,428,900 to 1,504,000 by 2029. This is a forecast population increase of 75,100. An increase of 5.6%. This level of growth will give rise to an increased impact on healthcare provision necessitating additional healthcare infrastructure, resources and funding. To meet the needs of our future populations whilst making best use of existing assets, mitigation may be sought from new developments to contribute towards necessary improvements in healthcare facilities.
18. The County Council as a consultee on planning applications would not itself seek financial contributions towards healthcare infrastructure. In appropriate circumstances, and where there is evidence of a need arising from the development, additional contributions may be required for healthcare facilities by a local planning authority. Local authority guidance on developer contributions will set out the circumstances in which such obligations may be sought.
19. Hampshire Public Health teams work in partnership with NHS service providers and can advise on the preparation of Infrastructure Delivery plans, for example any planned changes in the commissioning of health care locally, or local infrastructure deficiencies.
20. If local planning authorities are so minded to seek contributions for General Practice Infrastructure they may wish to contact Hampshire and Isle of Wight NHS Integrated Care Board. The Local Planning Authority Engagement (LPAE) team hosted by Torbay and South Devon NHS Foundation Trust, are now working on behalf of Hampshire and Isle of Wight Integrated Care Board (HIOW ICB) estates teams to manage that organisation's response to planning applications in Hampshire. The HIOW ICB intend to review planning applications for developments of 20 or more dwellings and where justified, their planning application responses could request funding from developers to mitigate the impacts that may arise for primary care as a result of development.
21. It should be noted that adequate provision of primary health care also has an important bearing on the County Council's public health responsibilities, and it is advisable to involve the team in early discussions on these issues.

Assessing needs and calculating demand

22. The County Council has produced a Position Statement (see link below) on planning and public health which includes recommendations to local planning authorities. This Statement includes guidance on the use of Health Impact Assessments for plan-making and decision-making. The Statement suggests that authorities consider the requirement for a Health Impact Assessment (HIA) for all developments of 100 units and above and involve public health in pre-application discussions for major developments of 100 units and above. If not already requested by the local planning authority, the County Council will request that

applicants of these major schemes consider any health impacts through the preparation of an HIA. They should include a suite of proposed actions to mitigate any adverse impacts, particularly in areas which evidence (through the JSNA) shows are suffering from high deprivation, fuel poverty, poor health, elderly or vulnerable groups or high levels of childhood obesity.

23. A Health Impact Assessment (HIA) is a flexible, proportionate and practical tool, which allows for the evaluation of the health impact of policies, strategies and initiatives in sectors that indirectly affect health, such as transportation, employment and the environment. The overall goal of HIAs is to inform decision-makers of any adverse health effects of proposed actions and support the identification of appropriate policy options.
24. An HIA is most effective when it is undertaken to inform and shape a plan, policy or development project during options appraisal and design (that is before decisions are made and submitted as part of a planning application). It considers in an explicit and comprehensive way the impact of development and can address and help to discuss and mitigate any issues before they arise.
25. The County Council Public Health team is able to support local planning authorities in conducting Health Impact Assessments of Local Plans if required.
26. Public Health England published 'Health Impact Assessment in Spatial Planning: a guide for local authority public health and planning teams (2020)', which provides further information on undertaking a Health Impact Assessment (HIA).

Further Information

Contact	public.health@hants.gov.uk
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Healthy and safe communities Guidance on promoting healthy and safe communities (last updated Aug 2022)	DLUHC	www.gov.uk/guidance/health-and-wellbeing	Link checked Dec 2023
Joint Strategic Needs Assessment	Hampshire County Council Public Health	www.hants.gov.uk/socialcareandhealth/publichealth/jsna	Link checked Oct 2023
Health Impact Assessment in spatial planning A guide for local authority public health and planning teams (October 2020)	Public Health England	www.gov.uk/government/publications/health-impact-assessment-in-spatial-planning	Link checked Oct 2023
Public Health in Hampshire	Hampshire County Council Public Health	www.hants.gov.uk/socialcareandhealth/publichealth	Link checked Nov 2023
Public Health Strategy 2023 - 2026	Hampshire County Council Public Health	https://www.hants.gov.uk/publichealthstrategy	Link checked Nov 2023
Hampshire Planning and Public Health Position Statement	Hampshire County Council Public Health	https://documents.hants.gov.uk/public-health/PublicHealthandPlanninginHampshirePositionStatement.pdf	Link checked Nov 2023
The state of the Union: reuniting health with planning in promoting healthy communities	TCPA	www.tcpa.org.uk/resources/the-state-of-the-union-reuniting-health-with-planning-in-promoting-healthy-communities/	Link Checked Nov 2023
Building for a Healthy life (design toolkit) (endorsed by Homes England)	Design for Homes	www.udg.org.uk/publications/other-manuals/building-healthy-life	Link Checked Dec 2023



Guidance on Planning Obligations and Developer Infrastructure Requirements

Part 9: Flood & Water Management

Summary

- The County Council has a statutory duty to consider the surface water flood risk implications of new development and, to provide advice on Sustainable Drainage Systems (SuDS). It also has a responsibility for consenting works to Ordinary Watercourses (OWs).
- The County Council has produced a number of guidance documents for developers and landowners to help explain their responsibilities in these matters.
- The County Council encourages early engagement with those proposing development which might have implications for surface or ground water flood risk or may require works to OWs.
- This guidance sets out how the County Council will work in partnership with local planning authorities, landowners and developers to ensure that the County Council is able to meet its statutory duties as a Lead Local Flood Authority (LLFA).

Infrastructure Needs & Planning Background

1. Hampshire County Council was established as a Lead Local Flood Authority (LLFA) under the provisions of the 2010 Flood & Water Management Act.
2. The Act requires LLFAs to develop, maintain, apply and monitor a strategy for local flood risk management in its area in relation to groundwater, surface water and ordinary watercourse flooding. The Environment Agency retains responsibility for managing flood risk associated with coastal, river and reservoir flooding.
3. The planning system is founded on the principle of a sequential, risk-based approach to the location of development to avoid, wherever possible, flood risk to people and property. Development should be steered to areas with the lowest risk of flooding, based on the Environment Agency's Flood Risk Zones and it should not increase flood risk elsewhere.
4. While decisions about the suitability of water management provision concerning any development proposal are ultimately made by local planning authorities (LPAs), as LLFA, the County Council is a statutory consultee on major planning applications. It is the responsibility of the County Council to consider the surface water flood risk implications of new development and, in particular to provide advice on Sustainable Drainage Systems (SuDS).
5. The NPPF (paragraph 160) requires LPAs to take account of the advice of flood risk management bodies including LLFAs on flood risk management. It also requires (paragraphs 167/169) that major developments (defined as those of 10 or more dwellings) should incorporate SuDS unless there is clear evidence that this would be inappropriate. The full enactment of Schedule 3 of the Flood and Water Management Act in 2024 will make this mandatory and is expected later in 2024.
6. SuDS aim to mimic natural drainage systems (rather than use artificial drains, pipes, gullies and impermeable surfaces) and so attenuate or infiltrate surface water as close to its

source as possible rather than accelerate flows into artificial systems which can become overwhelmed and fail or cause flood risk further downstream.

7. The NPPF is supported by Government's NPPG on Flood Risk and Coastal Change which elaborates in considerable detail on the general policy principles set out in the NPPF.

Existing Provision: Flood and Water Management Infrastructure

8. The Environment Agency is responsible for managing the flood risk related to Main Rivers and the coast whilst the LLFA is responsible for managing the flood risk related to ordinary watercourses, surface water and groundwater.
9. The Flood and Water Management Act requires the Lead Local Flood Authority (LLFA) to create and maintain a register of all structures and features that are anticipated or known to have an effect (positive or negative) on flood risk in the area.
10. This is known as the Water Management Asset Register and is available on the County Council's website (see *Further Information* below); allowing stakeholders to identify key assets that could impact flood risk and ensure they are carefully managed.
11. Flood defences exist across Hampshire in many forms. There are many areas of natural flood defence such as sites that are lower than surrounding areas and provide storage for flood water, attenuation areas such as marsh land, and naturally occurring weirs within rivers. Artificial flood defences include dams, sluices and pipes to route water away from its natural path.
12. The County Council has a comprehensive programme of flood alleviation schemes ranging from ditch maintenance to strategic partnerships. For example, the Outer Winchester flood alleviation scheme involving road resurfacing, enhancements to ditches and culverts, and drainage system repairs.

Strategic Background

13. Hampshire County Council updated its Local Flood and Water Management Strategy (formerly the Local Flood Risk Management Strategy) in 2020. It has also produced a suite of 18 river catchment based Catchment Management Plans providing advice and information on flood risk from multiple sources of flooding across the county.
14. These strategy and plan documents provide a useful evidence base for developers and local planning authorities when considering flood risk issues, including sources of flooding and areas prioritised as being vulnerable to flood risk, which may be affected by new development proposals.
15. Flood risk management is a complex issue and although risk management authorities work together to reduce flood risk, it often requires individual landowners to also do their part to help themselves and others to manage the flow of water.

Obligations and Developer Infrastructure Contributions

16. As outlined above, decisions about the suitability of water management provision concerning any development proposal are ultimately made by local planning authorities (LPAs). LPAs can negotiate directly for flood infrastructure with developers on a case-

by-case basis. Developers are encouraged to refer to the planning obligations (infrastructure) guidance provided by individual Hampshire local Planning Authorities and/or applicable Local Plan policies on flood and water management. Such guidance can explain that if flood risk cannot be managed on site or by way of condition, then a section 106 agreement may be needed to agree either an appropriate financial contribution or provision of flood defence works or mitigation measures.

17. The County Council does not directly seek developer contributions towards off-site flood infrastructure. The County Council usually seek funding from Flood Defence Grant-in-Aid (FDGiA) to flood and coastal erosion risk management projects, and Levy funding from the Regional Flood and Coastal Committees (RFCCs).
18. Additionally, CIL bids are another mechanism that might be used to fund flood infrastructure where a clear case can be made to CIL charging authorities that funding is required to help deliver a scheme.
19. It is the County Council's view that most potential development sites in Hampshire will be suitable and appropriate for the successful delivery of SuDS schemes. In accordance with paragraph 169 of the NPPF, the onus will be on the developers of 'major' sites to provide clear evidence that this would not be appropriate. On the presumption that most sites will be suitable, developers and LPAs are instructed to take account of advice from the LLFA on the type of SuDS proposed to be used. This policy also requires that the SuDS used should:
 - a) Meet appropriate minimum operational standards;
 - b) Have maintenance arrangements in place to ensure an acceptable standard of operation of the SuDS for the lifetime of the development; and
 - c) Where possible, provide multifunctional benefits, which are meeting four design objectives (known as the 4 pillars of SuDs by the Construction Industry Research and Information Association) of water quantity, water quality, amenity and biodiversity,
20. The County Council has produced guidance notes on different aspects of flood risk management (see link to "Reducing flood risk in planning" advice in *Further Information* below). The key guidance in relation to infrastructure associated with new development is the guidance provided on SuDS, reflecting the NPPF paragraph 169 policy requirements for developers to incorporate SuDS. This is provide by the partnership organisation Susdrain.
21. The County Council also offers advice to LPAs on surface water management strategies and SuDS and developers can seek pre-application advice from the LLFA in relation to surface water drainage.
22. The County Council provides a Surface Water Checklist Guidance document to advise developers and applicants and define the information the County Council requires to assess planning applications in relation to Surface Water Drainage. It has been developed with reference to the NPPF and utilising guidance in the NPPG on Flood Risk and guidance and Ciria SuDS Manual (C753).
23. A key aspect of the success or otherwise of any SuDS lies in the provisions that are made for their long-term maintenance. The responsibility for ensuring the long-term maintenance of SuDS in developments currently will sit with the developer, however, the full enactment of Schedule 3 of the Flood and Water Management Act is expected to

change this. In January 2023 Defra published a review for the implementation of Schedule 3 of the Food and Water Management Act 2010, and the new approach is expected later in 2024/ 2025. Schedule 3 provides a framework for the approval and adoption of drainage systems, and a sustainable drainage system approving body which is expected to sit within unitary and county councils.

24. Until regulations and processes for the creation of sustainable drainage systems at new development are in place, there is no legislation in place specifying which bodies can/should adopt SuDS. The County Council recommends that a recognised and well-established management, utilities or New Appointment and Variations (NAV) company is employed. This will help ensure that SuDS are well maintained and continue to function correctly rather than adding to flood risk.
25. The LLFA therefore currently requires evidence and documentation as part of the planning process (for example, through a planning condition) to demonstrate that appropriate provisions are in place for the entirety of the drainage system to be adopted and maintained for the lifetime of the development. Adoption of SuDS could be agreed through a s106 legal agreement or a separate agreement with the District, Town or Parish Council or private management company but it must, in any instance, be accompanied by a commuted sum to secure and guarantee satisfactory long-term maintenance of the SuDS to the required standard.

Assessing needs and calculating demand

26. The County Council's FWM team comments on draft Local Plans with regard to flood risk and surface water management and offer advice on specific prioritised areas considered to be at high risk of flooding. The County Council in its capacity as Lead Local Flood Authority (LLFA) is a statutory consultee on all major applications (defined as development over 10 dwellings).
27. In addition to its statutory SuDS role, the County Council also has statutory role in respect of Ordinary Watercourses (OWs) and is the consenting authority for any works required to OWs.
28. An ordinary watercourse is defined under the Land Drainage Act 1991 as a watercourse that does not form part of a main river (the Environment Agency is responsible for flood risk management in respect of main rivers). An OW may include rivers, streams, all ditches, drains, cuts, culverts, dikes, sluices, sewers (other than public sewers within the meaning of the Water Industry Act 1991) and passages, through which water flows.
29. Ordinary Watercourse Consent (OWC) is required from the LLFA prior to any development or works which obstruct, alter or affect the flow of an OW. Retrospective consent cannot be not given and any works which are unconsented are categorised as a nuisance and a notice may be served by the LLFA to abate such nuisance.
30. The Council has produced guidance for landowners and developers about riparian responsibilities and process for seeking consent to make changes to water courses.

Further Information

Contact	fwm@hants.gov.uk
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National Planning Policy Framework	Department for Levelling Up, Housing & Communities	National Planning Policy Framework - GOV.UK (www.gov.uk)	Link checked Nov 2023
National Planning Policy Guidance	Department for Levelling Up, Housing & Communities	Planning practice guidance - GOV.UK (www.gov.uk)	Link checked Nov 2023
Local Flood Risk Management Strategy	Hampshire County Council	www.hants.gov.uk/landplanningandenvironment/environment/flooding/strategies/local-flood-risk-management-strategyCouncil (hants.gov.uk)	Link checked Dec 2023
Catchment Approach to Flood Risk Management	Hampshire County Council	https://www.hants.gov.uk/landplanningandenvironment/environment/flooding/strategies/catchment-management-plans	Link checked Dec 2023
Catchment Management Plans (August 2023)	Hampshire County Council	https://documents.hants.gov.uk/flood-water-management/HCC-CMP-LocalPlanGuidance.pdf	Link checked Dec 2023
Groundwater Management Plan for Hampshire	Hampshire County Council	https://www.hants.gov.uk/landplanningandenvironment/environment/flooding/strategies/groundwater-management-plan	Link checked Dec 2023
Hampshire County Council Preliminary Flood Risk Assessment (2011)	Hampshire County Council	https://documents.hants.gov.uk/flood-water-management/watercourses/PFRAReportsavedJan2016.pdf	Link checked Dec 2023
Hampshire County Council - Reducing flood risk in planning information.	Hampshire County Council	www.hants.gov.uk/landplanningandenvironment/environment/flooding/planning	Link checked Dec 2023
Hampshire County Council Surface Water Checklist Guidance	Hampshire County Council	https://documents.hants.gov.uk/flood-water-management/SurfaceWaterChecklistGuidance.pdf	Lin checked Dec 2023
Flood and Water Management Act (2010)	National Legislation	https://www.legislation.gov.uk/ukpga/2010/29/contents	Link checked Dec 2023
Sustainable Drainage Design Guidance	Susdrain	https://www.susdrain.org/delivering-suds/using-suds/background/sustainable-drainage.html	Link checked Dec 2023

Surface Water Management Pre-Application Advice/Historic Flood Information Request	Hampshire County Council	https://floodwatermanagement.hants.gov.uk/HistoricFloodInformation.aspx	Link checked Dec 2023
Surface Water Management Asset Register (online GIS map)	Hampshire County Council	https://hampshireonline.maps.arcgis.com/apps/webappviewer/index.html?id=71cf47ed7a5344ef958d49255ede3526	Link checked Dec 2023

APPENDIX 2: Summary of responses

Consultation closed 31st March 2023

Consultation:

www.hants.gov.uk/aboutthecouncil/haveyoursay/consultations/draftguidance-planningobligations

Responses were received from local authorities:

- Havant Borough Council
- New Forest District Council
- East Hampshire District Council
- Eastleigh Borough Council
- South Downs National Park Authority
- Rushmoor Borough Council
- Test Valley Borough Council
- Basingstoke & Deane Borough Council
- Winchester City Council

Responses were received from Town and Parish Councils

- Warnford Parish SDNPA
- Fordingbridge Town Council
- Hordle parish Council
- Hook Parish Council
- Cllr Tuck
- Hound Parish Council

1. General comments in support

- A helpful articulation and amplification of the County Council's approach to ensuring that future development makes appropriate provision for infrastructure that the County Council is responsible for.
- A useful Guidance document with a helpful structure with regards to it setting out the County Council's planning obligations requirements under subject specific documents. This should make it easier for applicants to see their potential costs and for the Council as the local planning authority to provide any follow up advice. The document also provides a useful reference point for any other interested parties including the Council.
- Recognition that concerns about infrastructure provision remain one of the most cited comments in Local Plan consultations.
- Highways and countryside sections are clear of the need to demonstrate impact.
- Provides a good overview for developers in terms of what their expectation should be in terms of contributions secured, both financial and non-financial.

- As a statutory consultee in respect of planning proposals, it would be appropriate for it to triage, select and distribute internally details of consultations, and to provide a coordinated and combined response from the appropriate service areas.

2. Status of the document

- Some concern expressed about the status of the document (as a material consideration) and the lawfulness (in context of CIL regulations and section 106).
- Lack of clarity about how the document is intended to be used in the determination of planning applications.
- Comments about how to keep the data and policy up to date (e.g. how would this work in terms of a formal consultation and adoption process? We would expect that such a process should be followed for the purposes of accountability and transparency.)
- A similar page providing links to all types of pre-application advice could be similarly beneficial
- A common theme throughout the document (with some exceptions) – it is just not clear what outcome is being sought
- Needs to be made stronger that the infrastructure is a statutory duty to deliver (to give the document more weight)

3. Infrastructure (general)

- LPAs often produce their own Developer Contributions Guides
- Health infrastructure (in addition to public health)- SE Hants Clinical Commissioning Group, are more frequently asking for financial contributions on major housing developments.
- Further information is provided on the priority importance of each infrastructure topic and item which is covered ('critical versus desirable'). These could be relevant for all development or be considered critical if the development meets a minimum threshold (e.g. number of dwellings) or if it is located in a specific area.
- Should also make clear that infrastructure considered to be desirable rather than critical or important will be sought where possible on a case-by-case basis rather than required whether this be through on-site provision or a financial contribution.
- Recommended that the approach to identifying infrastructure priorities is consistent with the approach set out in Infrastructure Delivery Plans prepared by the districts which form part of the Local Plan evidence base.
- Need to signpost to all local plans policies and guidance on planning obligations (advise that the HCC guidance is read in conjunction with National Park and Local Planning Authority policy and guidance).
- Rushmoor BC fundamentally against asking for infrastructure contributions for items which have been planned for in local plans (statutory provider seeking to meet a funding challenge by demanding S.106 contributions) See statutory provider seeking

to meet a funding challenge by demanding S.106 contributions on duties- contributions must be made necessary by a specific development (not to fund statutory services).

- It would help to have worked examples that cover some of the development typologies across the prevailing geographies of Hampshire (esp libraries and countryside).
- There is an opportunity to set out how each of the topic areas are prioritised or fall into a hierarchy of needs.

4. Evidence base

- Local plans- potential infrastructure needs generated from new development should be taken into account at the plan making stage. All site-specific requirements sought must fully comply with the requirements of the Regulation 122 tests.
- Extra care housing need must be supported by robust evidence to ensure that the scheme meets the local need.
- Concerns about lack of engagement with developers- who are the ones from which funding is sought. Concerns that developers would raise objections to what is being 'required' in the guidance.
- There are several mentions throughout the draft document that HCC "will provide an appropriate justification for each obligation it seeks in line with the legal and regulatory tests" (Para. 19), but it is unclear what justification will support some requests for monies.
- Evidence on strategic infrastructure needs- an up-to-date Hampshire Strategic Infrastructure Statement should be published alongside an amended guidance.
- Figures should be updated to reflect the 2021 Census
- The Formulaic approach of your draft document does not draw any clear distinction between development that sits within the parameters of an adopted and up to date local plan, and additional unplanned or unexpected development (RBC)
- Given the scaling back of funding or closure of County Council services and facilities such as libraries, a clearer rationale is needed about why obligations for new types of infrastructure are required in the context of the County Council's overall approach to servicing costs of its statutory functions.

5. Pre-application advice and section 106 agreement

- Need to check up to date references to the NPPF.
- Pre-application advice should be joined up with district LPAs to ensure consistent advice.
- Para 79 Contributions payable in relation to the County Council's clauses will be paid directly to the County Council (SDNPA expect payments directly)

- Would not likely support the inclusion of clauses that may result in an open-ended timeframe for delivery of infrastructure (para 83 and 84) (esp SDNPA)
- District Council has experienced significant delays in the completion of Legal Agreements when Hampshire County Council are joint signatories and would welcome streamlining of this process (EHDC)
- Suggest provision of a clear and detailed list of the Heads of Terms that are required for the legal agreement
- Repayment – Paragraph 84 The clause for any changes of project to be agreed between the parties should include words that would ensure that the replacement project meets the CIL Regulation 122 tests.
- Paragraph 84: It is noted that where possible, all s106 agreements should include a clause for any changes of project to be agreed between the parties. We consider this to be a sensible and flexible approach.
- Para 29: CIL does not have to be for major development – this is setting the bar too high. Small projects can be funded by CIL too.
- Para 31 (p.13) confusion over wording about preferences to use CIL rather than s106 (CIL and s106- various refs throughout guidance)

6. Viability

- HCC needs to acknowledge the other ‘asks’ that developers have e.g. health (NHS) contributions.
- Paragraph 63 (review mechanism is included in a section 106 to require periodic viability assessments throughout the life of a development where viability is demonstrated to be an issue)- need clarity on the need for such a review mechanism
- TVBC welcomes the approach set out in paragraph 60 to work with local authorities to ensure the County Council’s infrastructure requirements are factored into local plan viability assessments and looks forward to further liaison on these matters.

7. Expenditure

- Agree that every effort should be made to ensure that contributions secured from developers are spent on the relevant projects/infrastructure within the time limit identified.
- HCC should develop a clear programme for delivery for specific identified projects, perhaps through an annually updated Infrastructure Business Plan to ensure compliance with Regulation 122.
- Explain how the County Council will hold themselves to account and report back on this spending. This can be achieved through a reference to how the Infrastructure Funding Statement will report back on this spending.

- Guidance should provide further information on the measures HCC will take to ensure that contributions secured do not go unspent and end up having to be returned to the developer.
- Ultimately a matter for the CIL charging authority to collect CIL and to decide how CIL should be allocated and spent.
- Para 89- are project design and implementation in addition to and not also part of the capital works? Would also be helpful if it could be made clearer where the project design and implementation works wouldn't be part of the general contribution but that it may be necessary to add this on. Providing an example of this would be helpful.
- A strategy or plan for each topic area of the guidance would assist in identifying how contributions will be spent or managed.

8. Specific guidance sections (amendments sought include):

- Extra Care, Supported Housing and Accessible Housing (a number of comments received, and clarity sought on eligibility, planning policy for accessibility and clarity around scheme threshold requiring extra care provision).
- Extra Care, Supported Housing and Accessible Housing- clarity sought around tenure and affordable housing terminology used, and mechanisms used to secure land and funding.
- Extra Care, Supported Housing and Accessible Housing- clarity sought around the County Council's strategy and evidence of need for extra care provision, and recognising that Local Planning Authorities are constantly commissioning and publishing localised, up to date evidence on housing needs.
- Highways and transport (minor changes- e.g. suggest reference the need for developer contributions which are secured by districts for on-site Traffic Regulation Orders (TROs).
- Education/ Childrens Services facilities: explanation of SEND provision requirements needs more detail. Clarity sought over the use of the CIL/ s106 mechanism. Further guidance on early years provision sought.
- Education/ Childrens Services facilities: queries about the guidance on Post 16 education and how much influence the County Council has in terms of infrastructure provision.
- Education/ Childrens Services facilities: Suggested inclusion of more detail about the cost of low and zero carbon design of schools and impact on scheme viability. Also

clarification on how the requirement for an Employment and Skills Plan through planning conditions and s106 is secured and enforced.

- Countryside, Public Rights of Way & Green Infrastructure : Some minor changes e.g. costs on page 67 - what is an explanation of these costs (the difference between replacement and resurfacing). Include a hyperlink to the Countryside Action Plan (CAP) and list the priorities rather than just referring to them.
- Waste Infrastructure: Suggest it is worth mentioning that significant further work would be required to evidence and justify contributions towards HWRC improvements in line with the general guidance. Clarification sought on the threshold for consulting the waste management team on large schemes.
- Public Health: Clarification is sought on whether the County Council is requiring contributions for Health Impact Assessments. Health services are provided by the NHS and ICB, so HCC cannot collect money for this- clarification needed.
- Flood & Water Management: Clarification is sought on whether HCC is seeking contributions for the provision of flood and water management infrastructure such as SuDS. Useful to set out a minimum threshold (e.g. number of dwellings) for when they would expect the Council to engage with them on flood and water management related issues.
- Library & archive provision: concerns reported about the validity of the formula and methodology outlined for calculating per dwelling costs. Requires further information about how evidence of increased pressure of services would be demonstrated to seek contributions. Libraries contribution requires justification given the recent closure of libraries in Basingstoke and Deane.

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