

**GUIDANCE FOR WORKS ON THE HIGHWAY AND THE ADOPTION OF
NEW INFRASTRUCTURE**

Purpose:	To provide information to developers on the highway aspects of pre-planning application guidance and introduce a sliding scale of fees for highway adoption agreements.
Policy Framework:	Corporate Plan 2015/17 : "Delivering For Swansea": Priority Three: Creating a vibrant and viable City and Economy .
Reason for Decision:	To support and promote development within the City & County of Swansea .
Consultation:	
Recommendation(s):	
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Finance Officer:	
Legal Officer:	
Access to Services Officer:	

1.0 INTRODUCTION

- 1.1 In order to assist developers comply with the Highways Act, as part of planning and delivering their developments, it is considered helpful to provide a guidance document that explains the various considerations necessary, should their proposed development interact with the existing adopted highway or should the developer wish to offer their completed development for adoption by the Highway Authority.
- 1.2 The document, "Guidance For Works On The Highway And The Adoption Of New Infrastructure" (Appendix A), is intended to assist developers working through the pre-application / planning processes, to fully understand what are purely planning issues and which issues need to be addressed with the Highway Authority. Developers have previously expressed concerns that they were initially unaware of these commitments when submitting planning applications, and of the resultant financial implications.

2.0 HIGHWAYS AND DEVELOPMENT ISSUES

- 2.1 The document will address issues that have been a subject of discord with developers and seek to clarify processes, raise awareness of statutory requirements, under the Highways Act, that Developers must comply with, over and above those issues addressed within the Planning Permission process and the Town and Country Planning Act.
- 2.2 The guidance document will explain the benefits of Developers offering their sites for adoption (S38 process) and the process to be undertaken. This has been an issue with some developers who have not offered their sites for adoption and not informed their customers of this fact, when they have purchased their properties. There, are a number of reasons why developers have declined the opportunity to offer their sites for adoption,
- Level of commuted maintenance sums requested
 - Level of section 38 fees requested by the Authority.
- 2.3 The guidance document explains how commuted maintenance sums are calculated, enabling Developers to ascertain whole project costs and cost certainty at project feasibility stage. Previously, some Developers have claimed to be unaware of the requirement to pay commuted maintenance sums and have therefore declined to offer their sites for adoption, resulting in local residents having to pay an annual maintenance charge to a management company or, in some cases, having their streets and public lighting maintained to an unacceptable standard with irregular interventions by the Developer.
- 2.4 Welsh Authorities charge a section 38 fee of 8.5 percent of highway works costs to adopt a development. These costs cover technical

approval of the Developer's design, inspection to ensure that the site is constructed to an adoptable standard and legal fees. However, some of the larger Developers have raised concerns that for their larger sites the 8.5% charge is excessive and does not represent value for money. They have therefore, declined to enter into section 38 agreements resulting in residents suffering, as described in section 2.3 above. Therefore, the City & County of Swansea is the first authority in Wales to consider introducing a sliding scale, following benchmarking with English Authorities such as Bristol. It is envisaged that for more expensive projects the percentage charge will be less than 8.5%, but still sufficient to cover officer time and assist in making the service operate on a full cost recovery basis. Developers have welcomed this approach, following initial discussions and it is considered that such an approach will encourage greater uptake of the section 38 adoption process.

2.5 A summary of the sliding scale of fees is provided below

Value of works	Fees
Under £250,000	Minimum fee of £2k or 8.5% of works cost
Over 250,000	8% of works costs with a capped maximum fee of £28,750
Over £500,000	7.5% of works costs with a capped maximum fee of £45,000
Over £750,000	7% of works costs with a capped maximum fee of £58,750
Over £1,000,000	6.5% of works costs with a capped maximum fee of £70,000
Over £1,250,000	6% of works costs with a capped maximum of £75,000

2.6 It is proposed that, in order to undertake activities on/ from the public highway all Developers who's developments have the potential to cause disruption to the public highway, will submit a Construction Traffic Management Plan (CTMP) for approval by the Highway Authority, at no cost. The guidance document explains what is expected of a CTMP, that the approval of the document is a condition of the Planning Consent, and that if additional advice and assistance is required, then this service is available, but at a cost.

3.0 Equality and Engagement Implications

3.1 An EIA screening process has been undertaken and included as Appendix B.

4.0 Financial Implications

- 4.1 It is anticipated that advance notice of the requirement for Commuted Maintenance Sums and adoption of the proposed sliding scale of fees for Section 38 agreements will increase the number of sites being offered for adoption and result in increased fee income for the Authority.

5.0 Legal Implications

- 5.1 There are no legal implications associated with this report.

Background Papers: none

Appendices: Appendix A , "Guidance For Works On The Highway And Adoption Of New Infrastructure".
Appendix B – EIA Screening