

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	16 July 2019
Title:	Commuted Sums Policy Guidance
Report From:	Director of Economy, Transport and Environment

Contact name: Stuart Giddings

Tel: 01962 813088

Email: stuart.giddings@hants.gov.uk

1. The decision:

- 1.1. That the Executive Member for Economy, Transport and Environment approves the proposed Commuted Sums Policy Guidance and Calculator, as appended to the supporting report, and authorises engagement with stakeholders as the next stage in their development.
- 1.2. That, in the absence of relevant objections that cannot be reasonably overcome arising from stakeholder engagement, authority is delegated to the Director of Economy, Transport and Environment to finalise and implement the Commuted Sum Policy Guidance and Calculator.
- 1.3. That authority is delegated to the Director of Economy, Transport and Environment to make future minor amendments and additions to the Commuted Sums Policy Guidance and Calculator in consultation with the Executive Member for Economy, Transport and Environment as appropriate.
- 1.4. That authority is delegated to the Director of Economy, Transport and Environment, in consultation with the Director of Corporate Resources and Executive Member for Economy, Transport and Environment, to review the commuted sum discount rate at least once every five years and amend if required to ensure arrangements are reflective of interest rates and construction costs.
- 1.5. That the Executive Member for Economy, Transport and Environment approves the revisions to the Highway Maintenance and Management Plan Policy HW6 – New Infrastructure, attached to the supporting report as Appendix 1.

2. Reasons for the decision:

- 2.1. In recent years the pressure on all local government funding has increased substantially. Highway authorities are under extreme pressure to maintain the condition of the highway network and to achieve the service standards that users have been accustomed to.
- 2.2. The adoption of transport infrastructure assets by Hampshire County Council from new developments result in the County Council, as the Highway Authority,

incurring increased maintenance and replacement costs for those assets in perpetuity.

- 2.3. To ensure that Hampshire County Council receives fair and adequate levels of support from development, consultants (Atkins Global) were commissioned to review current processes and assist the development of Hampshire County Council's application of commuted sums (CS). The principles behind the proposal are to ensure full cost recovery and ensure the maintenance of all adopted roads.
- 2.4. Hampshire County Council's current commuted sum policy document was approved by the Executive Member in 2007. This precedes the County Surveyors Society (CSS) Commuted Sums Guidance (2009) and therefore does not necessarily reflect current national guidance.
- 2.5. The comprehensive review identified several areas for improvement and these have been incorporated into the new Commuted Sums Policy Guidance. The proposed new approach reflects national best practice and delivers numerous benefits by:
 - providing up to date detailed guidance in one document and a tool to calculate the financial commitment for an applicant;
 - providing a transparent process with a robust audit trail on which commuted sum decisions are made;
 - ensuring additional costs of maintaining enhanced materials and layouts are adequately provided for in the long term using asset management lifecycle principles;
 - reducing the highway maintenance burden by promoting resilient material specifications and promoting highway layouts which provide for the needs of highway users; and
 - promoting sensible solutions which will minimise whole life costs for the Highway Authority and help to limit non-essential highway infrastructure.
- 2.6. Early stage informal discussions with planning authorities in Hampshire were initiated during the first phases of developing the CS Policy Guidance and this helped shape the draft document. However, it's proposed that further engagement with planning authorities and developers is undertaken to ensure that all viewpoints are considered and reflected in the CS Policy Guidance and Calculator where appropriate.

3. Other options considered and rejected:

- 3.1. Hampshire County Council's existing commuted sum policy precedes current national guidance. It was deemed necessary to update the County Council's approach to ensure it reflects national best practice. The option to retain the existing commuted sum policy was therefore rejected.

4. Conflicts of interest:

- 4.1. Conflicts of interest declared by the decision-maker:
- 4.2. Conflicts of interest declared by other Executive Members consulted:

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by:

Date:

16 July 2019

Executive Member for Economy, Transport and
Environment
Councillor Rob Humby