Department for Transport

Funding transport infrastructure for strategically significant developments

Contents

1 Purpose of this guidance

1.1 These guidelines set out the approach the Department for Transport (DfT) will take in negotiating developer contributions to transport infrastructure for strategically significant developments.

1.2 They should be read in conjunction with, and in the context of, relevant Government policies, in particular those relating to transport and spatial planning.

1.3 The guidelines set out a series of principles around co-funding transport infrastructure and provide greater predictability and transparency to developers on the approach the Department will adopt.

1.4 These Guidelines have been prepared following consultation with a range of stakeholders.

1.5 These guidelines apply to England only.

2 Background and policy context

2.1 Strategically significant developments such as ports and airports, and their transport connections, play a key role in supporting UK productivity and competitiveness and ensuring sustainable growth and development, as highlighted in the Eddington Transport Study[1].

2.2 Government and the private sector both have valuable roles to play in ensuring continued sustainable development.

2.3 One of the Government's roles is to provide the right stable planning framework to assist business and reduce the risk of underinvestment.

2.4 The evidence which led the reforms in the Planning Act[2] reinforces the view received from some stakeholders that processes leading up to commencement of development, including, in some cases, funding arrangements for transport infrastructure, could be improved.

2.5 The question of who should fund improved surface connections, and how best to come to a timely agreement between parties, is a frequent discussion point.

2.6 These guidelines do not replace existing requirements or guidance on transport and spatial planning. Some of the key documents that should be read in conjunction with this guidance are set out below:

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[1] The Eddington Transport Study, The case for action: Sir Rod Eddington's advice to Government, December 2006

2 http://services.parliament.uk/bills/2007-08/planning.html

- *Planning Policy Statement (PPS) 1: Delivering Sustainable Development* describes the Government's objectives for the Planning System.
- *PPS11: Regional Spatial Strategies (RSS)* sets out guidance for the production of an RSS and the importance of integration between spatial planning and transport through the creation of a regional transport strategy (RTS).
- *PPS12: Creating strong safe and prosperous communities through Local Spatial Planning* sets out the government policy on local spatial planning and explains the approach to supporting infrastructure.
- *Planning Policy Guidance (PPG) 13: Transport* sets out guidance to how planning and transport can be integrated at the national, regional, strategic and local level to promote more sustainable transport choices both for carrying people and moving freight. It states that, where a new development is likely to have significant transport implications, a Transport Assessment (TA) should be prepared and submitted with a planning application for a development which will then be used to determine whether the impact of the development on transport is acceptable.
- *Office of the Deputy Prime Minister (ODPM) Circular 05/2005 Planning Obligations*[3] sets out the approach and policy texts to the use of planning obligations, including pooled contributions.
- *DfT Circular 2/2007: Planning and the Strategic Road Network* sets out how the Highways Agency, on behalf of the Secretary of State for Transport will participate in all stages of the planning process with Government Offices, regional and local planning authorities, local highway/transport authorities, public transport providers and developers to ensure national and regional aims and objectives can be aligned and met.
- *DfT Guidance on agreements with the Secretary of State under section 278 of the Highways Act 1980* sets out the approach to agreements for private sector funding of works on the strategic road network and the steps that need to be taken by the developer when such an agreement is contemplated.
- *DfT Guidance on Transport Assessments (2007)* sets out guidance to assist stakeholders in determining whether a Transport Assessment may be required and advice on assessing the potential implications of development on the entire transport system.
- The 2007 White Paper 'Delivering a Sustainable Railway' states that the funding of any port or airport related rail improvements will require careful consideration on a case-by-case basis. But the principle which the Government will apply is that the 'beneficiary pays'. This means that costs of any enhancements should be apportioned according to those that benefit. It is likely, therefore, that airport and port operators and developers will have to bear a proportion of such costs. This underpins the ORR's policy in this area and the charging policy of the Civil Aviation Authority. Where appropriate, the benefits of such schemes to other users could be funded through normal rail funding processes[4].

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[3] http://www.communities.gov.uk/documents/planningandbuilding/pdf/147537.pdf

[4] www.rail-reg.gov.uk. Specifically, proposals for a rebate mechanism for investors in large-scale enhancements – final conclusions, 28 June 2007 available art: www.rail-reg.gov.uk/upload/pdf/cns-rebatemech-finconc.pdf

- Emerging guidance from the Department for Communities and Local Government on implementation of the Planning Act 2008 and the Infrastructure Planning Commission.

2.7 The Planning Act 2008 provides for a new, streamlined consent regime for nationally significant infrastructure schemes in the transport and other sectors, and in support of this the Government will in due course be producing a series of National Policy Statements setting out the case for infrastructure development in these areas.

2.8 National Policy Statements will be produced for infrastructure categories, such as port, airports, national networks, energy generation/transmission and waste.

2.9 Part 11 of the Planning Act 2008, forms the legislative basis for the Community Infrastructure Levy (CIL). The Act enables the Secretary of State for Communities and Local Government, with the consent of HM Treasury, to lay regulations before Parliament establishing CIL. The Community Infrastructure Levy (CIL) will be a new charge which local authorities in England and Wales will be empowered, but not required, to charge on most types of new development in their area. CIL charges will be based on simple formulae which relate the size of the charge to the size and character of the development paying it. The proceeds of the levy will be spent on local and sub-regional infrastructure to support the development of the area.

2.10 The imposition of planning conditions and the facility to enter into a negotiated planning obligation using section 106 of the Town and Country Planning Act 1990 will remain when CIL is introduced. This is because planning obligations and conditions can be a useful tool to ensure that the specific impacts of a development can be mitigated, allowing it to be granted permission where permission would otherwise be refused.

3 Scope of guidelines

3.1 These guidelines apply to transport infrastructure enhancements relating only to strategically significant developments in England. In the context of this guidance note, a strategically significant development is defined as a development, in an infrastructure sector as defined in the Planning Act, which either meets the size threshold, or is referred to the Infrastructure Planning Commission (IPC) by the Secretary of State where not meeting the size threshold.

3.2 The Guidelines apply in the following circumstances.

- where transport infrastructure enhancements are required (imposed through planning conditions or obligations[5]) to mitigate impacts from a strategically significant development; or
- where transport infrastructure enhancements are promoted by developers to improve surface access connections to an existing strategically significant development, with a prime beneficiary being the development and its users.

[5] Obligations under Section 106 of the Town and Country Planning Act 1990, agreements and Section 278 (Highways Act 1980) agreements.

3.3 In the context of these guidelines, “transport infrastructure” is defined as an enhancement to surface access (primarily road or rail) identified through a transport assessment.

3.4 These guidelines apply only to transport infrastructure enhancements on the national transport networks e.g. the Network Rail managed rail network and Highways Agency (HA) managed strategic and regional road network.

3.5 These guidelines only cover future funding arrangements. They will not be applied retrospectively to past decisions reached on developer contributions.

3.6 The transport networks under devolved authority, local authority, Passenger Transport Authority or Transport for London control may choose to apply all or parts of the Guidelines, but are not obliged to.

4 Aims and objectives of guidelines

4.1 The aims and objectives of the guidelines are to deliver greater clarity for all involved in the approach the Department will take in negotiating developer contributions for transport infrastructure to support strategically significant developments. They achieve this by:

- clarifying criteria for circumstances in which developers will be expected to pay fully for enhancements, and those for which a co-funding arrangement may be negotiated;
- clarifying the arrangements by laying out the process and principles by which co-funding agreements may be reached;
- clarifying that the DfT may (subject to the level and nature of the benefits provided by the development and availability of funding) co-fund necessary transport infrastructure for strategically significant developments;
- providing equitable arrangements for shared contributions and explaining in further detail the application of existing policy that the ‘beneficiary pays’[6];
- promoting investment in those developments of greatest benefit according to evaluation criteria by (a) focusing on ‘strategically significant’ developments, and (b) consistently appraising proposed government investment in line with the New Approach to Transport Appraisal (NATA[7]) ;
- increasing certainty and predictability of contributions required by clarifying when the DfT would consider co-funding and the supporting analytical techniques that could be applied to underpin the co-funding split. The guidelines seek to enable outline agreements to be reached at an early stage, improving the predictability for developers;
- shortening negotiations, thereby saving cost to all parties;

[6] already explicit in the Rail White Paper (July 2007) and the Air Transport White Paper (December 2003)

[7] The New Approach to Appraisal (NATA) is the analytical framework used to appraise the economic, environmental and social impacts of all transport proposals that require DfT funding or approval. The NATA appraisal framework is currently undergoing a refresh. http://www.dft.gov.uk/consultations/closed/consulnatarefresh/pdfnatarefresh.pdf

- allowing contributions to be prioritised against competing funding demands on a case by case basis; and by informing the potential allocation of DfT funds through a proposal's value for money assessment[8] which is based upon its NATA appraisal. Innovative funding proposals drawing in other third party contributors or increased investor contributions are also welcomed, and these would further improve the potential for DfT funding;
- increasing transparency by making public the arrangements reached – subject to commercial confidentiality.

5 Summary principles and high level process

5.1 The Guidelines aim to guide funding discussions; they do not seek to define a prescribed methodology or an arithmetic answer for allocating costs to parties. Rather, we propose that cost sharing should be guided by a set of principles and a process, intended to encourage a more consistent application of current policy, with greater transparency when it comes to cost share. Funding availability is always a potential constraint and no application of a set formula or analyses can commit either Government or the private sector to a settlement.

5.2 The Guidelines do not prescribe a specific arbitration process in the event of a dispute between parties. The process is a negotiation not a formula, and the Department are under no obligation to make a contribution to any development. If developers are seeking a cost-sharing arrangement then it is for them to ensure a successful negotiation. If a cost-sharing agreement cannot be reached, no funding will be provided by the Department.

5.3 It is acknowledged that the context for discussing funding arrangements will be different in each individual situation. There is therefore a need for a flexible and pragmatic approach to these discussions reflecting the fact, amongst other things, that schemes identified may overlap with schemes promoted through regional strategies or funding allocations. This will require close partnership working with regional bodies (such as the Regional Development Agencies (RDAs), who can play an important role in co-ordinating input and financial contributions from other funding sources.

5.4 A set of principles to guide arrangements between the DfT and developers is summarised in Figure 1.

Figure 1: **Summary principles**

#	Principle
1.	These guidelines do not replace existing requirements or guidance on transport and spatial planning including when a Transport Assessment should be carried out.
2.	Only developments defined as 'strategically significant' fall under the scope of these guidelines. i.e.; • The development must be in a transport infrastructure sector as listed in the Planning Act 2008, and • either:

[8] http://www.dft.gov.uk/about/howthedftworks/vfm/guidanceonvalueformoney?page=1#a1000

#	Principle
	o fall within the size thresholds set out in the Act; or o be referred to the IPC by the Secretary of State. These guidelines apply to all new developments that meet the criteria above irrespective of whether the IPC is operational. The guidelines do not apply retrospectively.
3.	Funding availability, irrespective of the analysis of public or private sector benefit share, is a potential constraint and no application of a set formula or analyses can commit either Government or the private sector to a settlement.
4.	Schemes where the benefits are derived wholly or substantially (greater than 95%) by development users will be fully funded by developers.
5.	DfT will appoint a Development Contributions Coordinator act as the first point of contact for developers falling under the remit of these guidelines. The primary purpose of this function will be to coordinate negotiations between the developer, the DfT and its Agencies and any other stakeholders involved in the negotiations.
6.	Only significant, identifiable and directly connected beneficiaries would be involved in discussions — Government would act as the proxy beneficiary for background users, and developers as the proxy beneficiary for customer and supply chain beneficiaries.
7.	Beneficiary analysis would inform and support negotiations. This is not a rigid, overly prescriptive or inflexible formula.
8.	Funding splits will be agreed based on the high level concept of 'beneficiary pays' using the most appropriate technique.
9.	Every situation is unique and no set formula can provide a solution - beneficiary analysis is not expected to imply a rigid application of a formula or mechanistic analysis to reach a decision on funding splits.
10.	The NATA appraisal should form the basis for analysing the beneficiaries. It would be based on the analysis of transport user benefits and modelled estimates of usage.
11.	Negotiations would finalise the outline co-funding arrangement (covering model assumptions, timing of payments etc).
12.	Schemes will be prioritised on the basis of alignment with DfT objectives, value for money (as set out in the DfT VfM guidance), practicality and affordability. Schemes will need to be evaluated in line with the DfT's new approach to transport strategy set out in "Delivering a Sustainable Transport System" (November 2008)[9].
13.	Schemes that ensure 'background users' are not disadvantaged by additional demand from the development, but deliver no incremental benefits to background users or other multiple beneficiaries, will be fully funded by the developer.
14.	These guidelines do not prevent the developer from increasing its

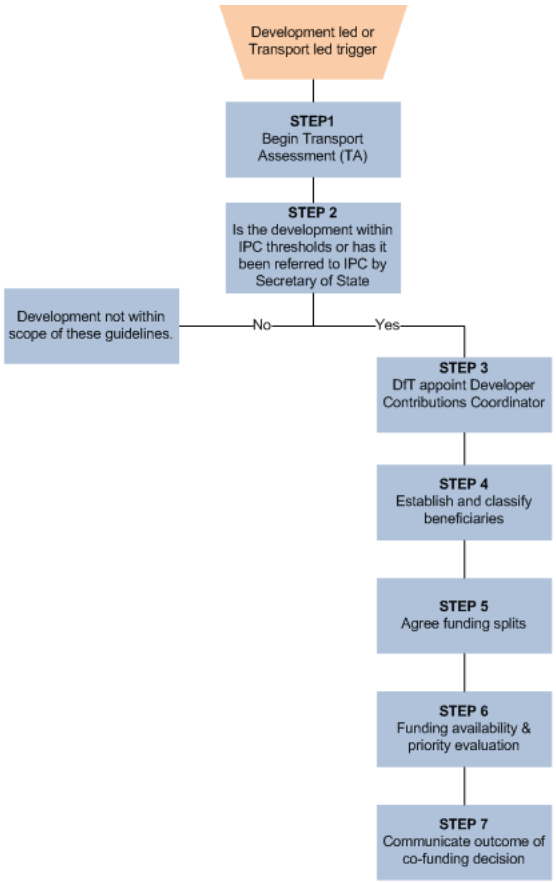
[9] http://www.dft.gov.uk/about/strategy/transportstrategy/

#	Principle
	contribution or meeting the cost in full to discharge obligations of a planning consent if no public funding is available.
15.	If an agreement on co-funding cannot be reached or the Government funding is not available then increasing the developer contribution or the developer paying the full costs of meeting the planning condition/obligation is the default position as was the case prior to issuing these guidelines.
16.	Prioritisation of funding under these guidelines does not indicate that the scheme will necessarily be authorised — individual schemes and the associated works are subject to the relevant consent processes.
17.	Once a firm agreement has been reached between the parties, the transport scheme and funding principles will be published on the DfT's website, aiding transparency of the process.

5.5 A key element of clarifying funding arrangements is setting out a recommended process for the DfT and developers. The process is not designed to be prescriptive or linear and steps may be iterative.

5.6 A high level diagram of the process is below:

Figure 2: **High level process diagram**



STEP 1 – Begin Transport Assessment

5.7 DfT Guidance on Transport Assessments (2007) and PPG13 set out advice to assist developers in carrying out a Transport Assessment to assess the potential implications of development on the entire transport system.

5.8 Developers, involving a range of stakeholders and network providers as appropriate, are encouraged to work to minimise the impacts of transport schemes on the natural environment and, wherever possible, seek solutions which deliver long-term environmental benefits. All environmental protection and sustainable development safeguards imposed on developers and transport providers by statute and the planning consent processes remain applicable, and are not affected by these guidelines.

5.9 Developers may consider a range of options to address additional transport demand. Options such as reducing demand for road trips, capacity management inland or coastal navigation should be given due consideration where relevant – the default is not simply new road or rail infrastructure/capacity. DfT Guidance on Transport Assessments (2007) sets out the approach in further detail and the key intention to ensure that development proposals strive to achieve nil detriment[10] ('no worse off') to the strategic network.

5.10 Supporting transport enhancements should be necessary; relevant to planning; directly related to the proposed development; fairly and reasonably related in scale and kind to the proposed development and reasonable in all other respects in accordance with ODPM Circular 05/2005.

5.11 Transport schemes identified may already be part of existing plans (e.g. proposed through the Regional Funding Allocation (RFA) and the strategically significant development may be either facilitated or partially mitigated by existing plans.

5.12 The developer will be expected to develop an estimate of scheme costs at this stage.

STEP 2 – Is the development within IPC thresholds?

5.13 Only developments defined as 'strategically significant' fall under the scope of these guidelines. i.e.;

- The development must be in a transport infrastructure sector as listed in the Planning Act 2008, and
- either:
    - fall within the thresholds set out in the Act, (Part 3: Nationally Significant Infrastructure Projects); or
    - be referred to the IPC by the Secretary of State.

5.14 These guidelines apply to all new developments that meet the criteria above irrespective of whether the IPC is operational or not.

5.15 The guidelines do not apply retrospectively.

[10] See for example *DfT Circular 02/2007,* describing "..conditions on the strategic road network will be no worse throughout the Review Period with the development than if it had not taken place."

STEP 3 – DfT appoint Developer Contributions Coordinator

5.16 DfT will appoint a Development Contributions Coordinator to act as the first point of contact for developers falling under the remit of these guidelines. Effective communication between developers and stakeholders will be critical to the successful adoption of these guidelines. This will be a pivotal coordination role in ensuring that the interests of both public and private sector are delivered through these principles, including close dialogue and partnership working with regional bodies and network providers. The Developer Contributions Coordinator will facilitate all funding discussions, drawing on appropriate expertise within the Department. Network providers remain as the key leads in developing scheme options in conjunction with developers/promoters.

STEP 4: Establish and classify beneficiaries

5.17 Transport infrastructure enhancements identified may have multiple beneficiaries where other transport users, not associated with the development, its customers or its supply chain, benefit from provision of the transport infrastructure.

5.18 For example:

i) a local supermarket access roundabout would neither classify as strategically significant nor have wider beneficiaries and hence the roundabout would fall to the developer to fund.

ii) Road or rail enhancements remote from the expansion of an airport development, but necessary as identified by the Transport Assessment, or Network Rail could benefit other parties than the airport users, and hence could qualify for government co-funding (subject to a alignment with DfT objectives, value for money and availability of funds).

iii) A rail enhancement scheme associated with a port development where the sole beneficiary of the scheme is the port and its users is unlikely to qualify for government co-funding.

5.19 To simplify the process of agreeing funding arrangements, only significant, identifiable and/or directly connected beneficiaries will be involved in co-funding discussions. This will normally be Government and developer(s) who have transport infrastructure requirements as part of planning consent for their development, but in some cases other potential third party funders may be involved. The developer(s) will be a beneficiary of development use themselves, and will act as the proxy beneficiary for their users and supply chain. Government will act as the proxy beneficiary for background users.

5.20 Developers are expected to lead the beneficiary analysis and should make their transport modelling, beneficiary and business case models available to the DfT.

5.21 Every situation is unique and no set formula can provide a solution - beneficiary analysis is not expected to imply a rigid application of a formula or mechanistic analysis to reach a decision on funding splits.

5.22 Any co-funding agreements between the DfT and developers in regulated industries (such as rail and regulated airports) will also be subject to the policies

and dialogue with the relevant regulators - Office of Rail Regulation (ORR) and the Civil Aviation Authority (CAA) policy[11].

5.23 ORR policy states that the funding of any port or airport-specific rail improvements will inevitably require careful consideration on a case-by-case basis. But the principle which the Government will apply is that the 'beneficiary pays'. This means that costs of any enhancements should be apportioned according to those that benefit. It is likely, therefore, that airport and port operators and developers will have to bear a proportion of such costs. This underpins the ORR's policy in this area and the charging policy of the Civil Aviation Authority. The benefits of such schemes to other users would be funded through normal rail funding processes[12].

STEP 5: Agree funding splits

5.24 Funding shares will be agreed based on the high level concept of 'beneficiary pays'. This approach is established in existing modal policy advice, notably the 2003 Future of Air Transport White Paper[13] and the 2007 Delivering a Sustainable Railway White Paper Rail White Paper[14].

5.25 For every development there could be a number of beneficiaries as identified in Step 4 above. In these cases, funding contributions will be sought from these beneficiaries.

5.26 Beneficiary analysis should provide evidence to inform funding share discussions.

5.27 The NATA appraisal should form the basis for analysing the beneficiaries. It will be based on the analysis of transport user benefits and modelled estimates of usage.

5.28 Contributions will be finalised through discussion between the parties.

5.29 Schemes without multiple beneficiaries, which are wholly or substantially (>95%) for the benefit of the development, such as linking spurs, junction works etc, will be expected to be fully funded by the developer; and

5.30 Schemes that ensure 'background users' are not disadvantaged by additional demand from the development, but deliver no incremental benefits to background users or other multiple beneficiaries, will be fully funded by the developer.

5.31 Schemes will be analysed on a beneficiary basis, generally using the most appropriate technique from those defined in Figure 3.

Figure 3: **Techniques for calculating funding splits**

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[11] Airports Review – Policy Issues Consultation Paper – December 2005

[12] www.rail-reg.gov.uk. Specifically, proposals for a rebate mechanism for investors in large-scale enhancements – final conclusions, 28 June 2007 available art: www.rail-reg.gov.uk/upload/pdf/cns-rebatemech-finconc.pdf

[13] Section 4.58 http://www.dft.gov.uk/about/strategy/whitepapers/air/

[14] Section 8.11 and section 8.19: http://www.dft.gov.uk/about/strategy/whitepapers/whitepapercm7176/

Technique	Common circumstances when technique will be applied
Relative shares of net present value benefits — assumes that the development would go ahead, with or without the new infrastructure. In this approach, the Government and private developer share the costs based on the relative shares of the net present transport benefits (appraised applying NATA guidance) of the improvement to both background and new development transport [15]users.	Where a full transport scheme appraisal is undertaken identifying benefits to different users.
User shares — A simple cost sharing arrangement based on peak system traffic/passenger shares. Developer and Government would seek to share the costs of new infrastructure based on overall proportions of usage of the transport improvement.	Simplified approach. Would be used to minimise the analytical effort. Only justified if user shares is a reasonable approximation of beneficiaries.
The marginal cost of bringing a scheme forward — assumes that the scheme is already committed to by Government, irrespective of the new development. Therefore the private developer would only pay the capital cost of having to bring a new scheme forward by X years. The private developer would be charged the cumulative cost of Government borrowing on the capital cost over X period.	In circumstances where the scheme is scheduled for the future even without the development (i.e. background growth in transport demand would mandate action). This does vary from beneficiary pays, and would only be applied when the scheme has already been pre-scheduled.
Broader, more efficient scheme option available. There may be a more efficient scheme which provides greater value for money than the private developer's proposed smaller scheme. The developer would be expected to contribute according to the cost of the smaller scheme. The additional costs of the broader scheme may in some cases be shared by other beneficiary developers.	If genuine alternative schemes exist, with the smaller scheme ensuring background users are not disadvantaged by additional demand from the development, and an expanded scheme offers greater value for money.

[15] The benefits used for analysis at this point are the transport benefits (per NATA).

5.32 Model assumptions made should be in line with WebTAG[16], and any uncertainty or variation in modelling approaches should be discussed and agreed with DfT.

5.33 For rail schemes, action may be needed to secure the necessary track access requirements for the operation of services on the Network Rail network. This could include securing a Track Access Option

5.34 Where rail schemes include additional or altered rail passenger services, it will be necessary for developers to identify the implications for franchised passenger rail operations and to discuss these with the DfT at an early stage.

5.35 Timing of payments and any escrow arrangements will be agreed as part of the overall settlement.

5.36 Any government co-funding will need to comply with State Aid rules, assessed on a case-by-case basis.

5.37 The output from this stage will be an agreed percentage split of funding.

5.38 Risk ownership will also be agreed at this stage.

5.39 The DfT preferred model is that the cost risk as the project moves from options through detailed design and on to final outturn cost would be shared in relation to the funding split proportions. A number of mechanisms can facilitate greater shared control of cost risks where necessary, for example appropriate design ownership and sign-off, developer representative on scheme project board, and contractual terms covering delays. However, other models, including fixed contribution agreements, may be adopted where appropriate.

STEP 6 – Funding availability and priority evaluation

5.40 Funding availability, irrespective of the analysis of public or private sector benefit share, is a possible constraint. Funding is always limited, and no application of a set formula or analyses can commit either Government or the private sector to a settlement.

5.41 Funding availability from all parties, private and public sector, is likely to be an iterative part of the process. Having agreed in principle the funding shares based on beneficiary analysis, the parties to the discussion would then analyse within their own organisations whether the investment is viable and the funding required can be allocated. Affordability is a key consideration at this point.

5.42 Where applicable, scheme cost estimates should be developed to 'Network Rail Guide to Railway Investment Projects (GRIP) Stage 3'[17] or Highways Agency 'options selection' stage of the project lifecycle.

5.43 Any candidates for DfT funding of surface access schemes would be prioritised on the basis of alignment with DfT objectives, value for money assessment as well as other considerations such as deliverability and affordability, as set out in the DfT value for money guidance.

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[16] WebTAG - Web Transport Analysis Guidance has been developed by DfT to provide detailed guidance on the appraisal of transport projects and wider advice on scoping and carrying out transport studies. http://www.dft.gov.uk/webtag/sitepages/whatis.htm

[17] http://www.networkrail.co.uk/aspx/4171.aspx

5.44 Innovative funding proposals drawing in other third party contributors or increased investor contributions are also welcomed, and these could further improve the potential for DfT funding;

5.45 Benefits would be quantified as represented in the above models. NATA provides up-to-date guidance on the appraisal of the agglomeration and labour market impacts of transport.

5.46 Under the outline process for the IPC, it would be expected that at least an outline funding arrangement had been agreed between the parties before the promoter submitted a planning consent application.

5.47 If insufficient government funding is available to fund the contribution to the scheme indicated on the basis of beneficiary analysis, the developer has the option to increase its contribution. This could improve the return on government investment and hence the potential for government funding to be allocated to the scheme, and enable the developer to meet its planning obligation.

5.48 These guidelines do not prevent the developer from increasing its contribution or meeting the cost in full to discharge obligations of a planning consent if no public funding is available. This enables developments to proceed without any further delay resulting from the lack of availability of public funding.

5.49 It is to the benefit of developers to engage with the DfT early to introduce potential schemes into the decision making process. Nevertheless it is recognised that there will be many situations where the timelines of a commercial development simply do not fit with the DfT budgetary cycle. The DfT and developers would seek to unlock this dependency where possible so that supported development can proceed once a cost share has been provisionally agreed.

5.50 As stated, overall government funding is constrained, and even beneficial schemes that are tabled well in advance may fall short of the funding available.

5.51 The DfT has set out a new approach to the development of transport strategy. This is set out in *Delivering a Sustainable Transport System* (November 2008). This new strategic process would apply to developments' surface access schemes in the same way as to any other scheme that DfT may consider funding in full or part. All schemes would need to be evaluated and considered against competing demands for government funding.

5.52 It is also important to remember that identification of funding under these guidelines does not indicate that the scheme will be authorised — individual schemes and the associated works are subject to the relevant consent processes.

STEP 7 – Communicate outcome of co-funding decision

5.53 The communication of the outcome of funding process should be managed effectively so as to protect the integrity of the agreed outcome.

5.54 Once a firm sound agreement has been reached between the parties, the transport scheme and funding arrangements would be announced.

5.55 A summary of the agreement reached, and the basis for the agreement would be published on the Department's website – consistent with commercial confidentiality.

5.56 Publishing the outcome adds to transparency; affords parties the opportunity to explain how the outcome fits with Guidelines, demonstrates consistency of application and actively supports the government accountability agenda.