

Appendix 1

Travel Plan Guidance for Commercial Developments - Travel Plan Deposits and Contributions.

There are two options for the responsibility of delivery of the Travel Plans:

Developer Contribution Options:

Option 1

- The developer/owner is responsible for funding and implementing the Travel Plan including incentives, appointment of a travel plan coordinator etc. This will require payment of a Travel Plan deposit, repayable on the successful implementation of the Travel Plan along with a non-refundable monitoring fee.

Option 2

- SMBC absorb all risk and will be responsible for delivery of the Travel Plan. It is still the developer/owner's responsibility to produce the Travel Plan. This option requires a non-refundable travel plan contribution on behalf of the developer, with a 20% premium to cover the additional risk the council incurs.
- This will enable SMBC to deliver the travel plan on behalf of the developer.

In each case, the Commercial Travel Plan would still be subject to the non-refundable travel plan monitoring fee of £1,000 per annum as outlined in the Travel Plan Guidance Document.

Calculating Financial Securities for Commercial Travel Plans

Bond / cash deposits for Commercial Travel Plans will be calculated using a standard formula based on the number of employees (expressed as Full Time Equivalent (FTE) and the lifetime of the Travel Plan (normally up to 5 years).

Where verified data on the number of FTE employees for the proposed development is available, this data should be used.

Where the number of employees is not known, the numbers of employees should be calculated by applying the relevant employment density to the development floor area. Table 1 provides employment densities.

Once the number of employees has been established, a two-step process is required to calculate the Travel Plan Bond / Cash Deposit: for a variety of land use types.

- Number of employees to be multiplied by the annual Travel Plan tariff rate below.

- This annual figure is then multiplied by the duration of the Travel Plan's lifetime (normally up to 5 years) to calculate the total Travel Plan Bond / Cash Deposit which is payable to the Council through a Section 106 agreement.

Fees for Travel Plan deposits and Travel Plan contributions

A fee of £76.00* per employee, per year will be paid to SMBC for Option 1. For Option 2 an additional 20% is payable to cover the additional risk incurred by the council.

- **Option 1 Travel Plan deposit** – the fee will be refunded upon successful implementation of the Travel Plan.
- **Option 2 Travel Plan contribution** – SMBC retain the fee (+20% premium) in order to implement the Travel Plan – not refundable.

In each case, the Commercial Travel Plan will be subject to the non-refundable travel plan monitoring fee of £1,000 per annum as outlined in the Travel Plan Guidance Document.

*Rate has been calculated based on research and best practise from:

Cairns S, Davis A, Newson C and Swiderska C (2002) Making travel plans work: research report. Report by Transport 2000, ESRC Transport Studies Unit UCL and Adrian Davis Associates for Department for Transport.

SMBC Travel Planning Guidance for Developers (Travel plan Guidance for Commercial Developments) 2022 has been indexed to a 2022 level from a 2002 base using Consumer Price Index (CPI) inflation data from the Office for National Statistics, resulting in a cost of £76 per annum. per employee.

Worked examples for the Calculation of Bonds/ Cash Deposits:

Example, Option 1

2000 sqm GIA of B2 General Industrial is proposed. The developer intends to deliver their travel plan using their own resources.

To calculate the number of employees:

- B2 General Industrial: = 36 sqm floor area (GIA) per FTE
- $2000 \text{ (sqm of GIA B2 General Industrial floorspace)} \div 36 \text{ (sqm floor area per FTE)} = 56 \text{ FTE (employees)}$

To work out the Travel Plan Bond / Cash Deposit:

- Annual cost per employee per annum: £76.00
- $56 \text{ (employees)} \times £76.00 \text{ (per employee)} = £4,256.00 \text{ per annum}$
- Travel Plan delivery duration: 5 years
- **$5 \text{ (years)} \times £4,256.00 = £21,280.00 \text{ total for the full 5 years}$**

Example, Option 2

1200m² (NIA) office space for an accountancy firm is proposed. Employee numbers are not known at time of application. The developer has opted for SMBC to deliver the travel plan on their behalf.

To calculate the number of employees:

- E(g) Other business – Finance and insurance = 10sqm floor area per FTE
- 1200sqm office space ÷ 10 (sqm floor area per FTE) = 120 employees

To work out the Travel Plan Bond / Cash Deposit:

- Annual cost per employee per annum: £76.00
- 120 (employees) x £76.00 (per employee) = £9,120 per annum
- Add 20% premium for SMBC delivery £9120 + 20% = £10,944
- Travel Plan delivery duration: 5 years
- **5 (years) x £10,944 = £54,720 for the full 5 years**

Monitoring Fees for Commercial Travel Plans

As stated in the SMBC Travel Plan Guidance for Commercial Developments document, in addition, developers or owners of an employment site will be required to pay (non-returnable) monitoring fees to the Council. Monitoring fees will be dependent on the length of the monitoring period set (usually 5 years) and the complexity of both the site and the monitoring requirements. As a guide, SMBC bases the figure on approximately £1,000 per annum.

- **Option 1 (Travel Plan deposit)** the responsibility and associated costs for undertaking monitoring surveys and producing and submitting monitoring reports to SMBC remains with the developer or the third party appointed by the developer.
- **Option 2 (Travel Plan contribution)** SMBC will carry out the monitoring.

Securities for Health Travel Plans

Travel Plan Bonds / Cash Deposits for health developments (for example, hospitals, health centres) will be determined through discussions with SMBC. The Bonds / Cash Deposits sought will be based on the number of employees and patient / visitor numbers

Table 1 - Standard Employment Densities

Land Use	Sub Category	Travel Plan Statement Required	Full or Framework Travel Plan Required	Travel plan Tariff Calculation (sqm of floor area per FTE employee)	Notes	Cost per employee per year
B2 (Industrial)		More than 20 staff but less than 2500sqm	Equal to or more than 2500sqm	36	GIA	£76
B8 (Warehouse and Distribution)	National Distribution Centre	More than 20 staff but less than 5000sqm	Equal to or more than 5000sqm	95	GEA	£76
	Regional Distribution Centre			77	GEA	£76
	"Final Mile" Distribution Centre			70	GEA	£76
C1 (Hotels)		More than 20 staff but less than 100 beds	Equal to or more than 100 beds	1 per 5 beds	FTE per bed	£76
C2 (Residential Institutions)		Between 20 and 50 staff	Equal to or more than 50 staff	To be determined on a scheme by scheme basis		£76

E(a) Retail (excluding hot food)		More than 20 staff but less than 1000sqm	Equal to or more than 1000sqm	15 - 20	NIA	£76
E(b) Food and Drink (consumption on the premises)		More than 20 staff but less than 750sqm	Equal to or more than 750sqm	15 - 20	NIA	£76
E (c) Financial and Professional Services	Corporate	More than 20 staff but less than 1000sqm	Equal to or more than 1000sqm	16	NIA	£76
E(d) Indoor Sport and Recreation	Professional services	More than 20 staff but less than 1000sqm	Equal to or more than 1000sqm	To be determined on a scheme-by-scheme basis		£76
E(e) Medical or Health Services	Public Sector	Between 20 and 50 staff	Equal to or more than 50 staff	To be determined on a scheme-by-scheme basis		£76
E(f) Preschool Education Facilities	Technology, media and telecommunications	To be determined on a scheme-by-scheme basis		To be determined on a scheme-by-scheme basis		£76
E(g) Other business / service which can be carried out in	Finance and Insurance	More than 20 staff but less than 1000sqm	Equal to or more than 1000sqm	12	NIA	£76

residential areas						
	Research and development	More than 20 staff but less than 1000sqm	Equal to or more than 1000sqm	12	NIA	£76
		More than 20 staff but less than 1000sqm	Equal to or more than 1000sqm	12	NIA	£76
		More than 20 staff but less than 1000sqm	Equal to or more than 1000sqm	12	NIA	£76
		More than 20 staff but less than 1000sqm	Equal to or more than 1000sqm	12	NIA	£76
		More than 20 staff but less than 1000sqm	Equal to or more than 1000sqm	40 - 60	NIA	£76
F2 Local Community		To be determined on a scheme by scheme basis				£76
Sui Generis uses		To be determined				£76

		on a scheme- by-scheme basis				
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Use classes are taken from the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020.

Non office employee densities taken from the 2015 HCA Employment Densities Guide 3rd edition, although the guidance has been formally withdrawn it is used here in the absence of other evidence relating to employment densities for non-office development

Office employee densities based on the British Council for Offices (BCO) standards for the post pandemic office 2022

GEA = Gross External Area, GIA = Gross Internal Area, NIA = Net Internal Area