

Appendix 7

Supplementary Guidance

Developer Obligations: Methods of Calculation

To comply with Policies RD1 and RD2 set out in “The responsibilities of developers” section of the Plan, a Developer Obligations package may be required. This will be detailed in a Developer Obligations Assessment Report, carried out by the Developer Obligations team, which assesses the level of proportional contributions required towards Developer Contributions and Affordable Housing.

Requirements in respect of affordable housing are set out in Policy H2 Affordable Housing.

REASONED JUSTIFICATION

The aim of this policy is to set out the methodology employed in calculating the level of Developer Obligations which may be required as a result of new development.

In order to provide transparency, standardised charges and formulae form the framework for calculations (See Appendix 1) dependent on site specific requirements. Schedule 3 and the Settlement Statements set out the key requirements for facilities and likely infrastructure which development is required to contribute to proportionally.

Any Developer Obligations sought must be linked to the specific development and meet the tests set out on Circular 3/2012-

Necessary- To make the proposed development acceptable in planning terms.

Serve a planning purpose- and where it is possible to identify infrastructure provision requirements in advance, should relate to development plans.

Relate to the proposed development- either as a direct consequence of the development arising from the cumulative impact of development in the area.

Fairly and reasonably relate in scale and kind- to the proposed development.

Be reasonable- in all other respects.

What are Developer Obligations sought for, and how will these be assessed?

Proportional Developer Obligations may be sought from all types of development, to address the cumulative impact on infrastructure. The developer is not expected to account for existing deficiencies, but to ensure that any proposed development does not detract the amenity of existing residents from additional pressures the proposal would generate.

Proportional contributions are based on the impact of the development on existing infrastructure and amenity of the settlement in which the development is based. This also applies to infrastructure which although not located within the settlement, serves the development elsewhere.

Infrastructure requirements for each proposal vary, and in some instances it may be more cost effective for the developer to provide these. If further requirements are discovered through the planning process additional to elements identified through initial assessment, these may also be taken into account. These will be based on a case by case basis, as each site is considered on its individual merit. Infrastructure requirements are generally set out in the Settlement Statements.

Providing Infrastructure necessary to allow a development to proceed may require the Council to incur costs while working in partnership with developers, or through upfront investment by the Council. Council expenditure to support development requires to be recouped at a later date. This is in line with 3/2012, which sets out the requirement for the Council to request proportional payments from subsequent developments which benefit from that investment until the costs have been recovered in line with the agreed planning obligation/legal agreement.

Developer Obligations Assessments are carried out by the Developer Obligations Team. Developers are encouraged to engage with the Developer Obligations Team during the pre-application stage, to ascertain the likely level of contribution required.

For Planning Permission in Principle applications, where specific details of development are unknown, rates are based on location either per standard house unit, or per sqm for commercial/retail premises.

A summary of the types of development and possible obligations is outlined below:

- Residential Development: All proposals which involved the creation of a new dwellinghouse. *(Single units will solely be assessed for Education contributions, however Where a number of related applications are submitted for adjacent sites within close succession then an assessment will be undertaken on the basis of the total units proposed)*
- Commercial Development: All developments which are within the criteria set out in the Strategic Transportation Supplementary Guidance or require identified Local Transportation mitigation measures.
- Other applications where the development management officer considers the proposal to be of a scale or type of development approach to consult with the Developer Obligations team

TYPE OF OBLIGATION	RESIDENTIAL	COMMERCIAL
Strategic Transportation	✓	✓
Local Transportation	✓	✓
Education	✓	
Healthcare	✓	
Community Facilities	✓	
Sports & Recreation	✓	
Waste	✓	
Open Space	✓	✓

Development Viability

Up front identification of likely contribution requirements should be sought to input to development appraisals.

In some circumstances, where the developer asserts that the development contributions have an impact on the viability of a development the developer will be required to submit a viability assessment to the Council which may require to be independently reviewed (with the cost met by the developer). The Council will be willing to review the timing or phasing of paying financial contributions to assist the financial viability of a scheme. The particular requirements, timing of payments etc., for individual developments will be determined on a site by site basis.

How will Developer Obligations be secured and managed?

Developer Obligations may be secured through upfront payments under Section 69 of the Local Government (Scotland) 1973, Section 48 of the Roads (Scotland) Act 1984 or a Planning Obligation under Section 75 of the Town and Country Planning (Scotland) Act 1997.

Upfront Payments

The applicant must enter into an agreement with Aberdeenshire Council in terms of Section 69 of the Local Government (Scotland) Act 1973.

Where an upfront payments is required, this must be concluded before planning permission can be issued, the applicant is advised to ensure this is the final matter to be concluded before planning permission is issued.

Phased payments

The council will consider phasing payment of Developer Obligations in accordance with the phasing of the development and based on evidenced completions. Phased payments require a legal agreement to set out the terms and conditions of phased payments. The costs of preparation of the legal agreement and their own legal costs, must be met by the applicant. Agreement on timing of payment will be included in the legal agreement with the addition of any specific clauses which relate to the proposal. Any payments which have not already been made by the 1st January the year set out in the assessment/agreement will be index linked by reference to the General Building Cost Index as published by the Building Cost Information Service of the Royal Institute of Chartered Surveyors or such other index as the Council and developer may agree.

Management of Funds

Contributions, identified individually, are currently held in the Council's balance sheet in a unique account to which notional interest, at Bank of England base rate, unless otherwise stipulated, is added on a monthly basis. In the event of a repayment of contribution the interest added will be calculated to reflect, in addition, compounding on an annual basis.

The council undertake to spend contributions received in respect of an appropriate project or projects in line with the detail of assessment within 7 years of the date when planning permission is implemented (evidenced through the notice of initiation of development). In the event of the contribution or part of it not being spent within this time period the contribution or part will be refunded to the applicant or their nominee along with relative interest accrued.

The monitoring and management of developer obligations funds and supporting phased payments is an additional administrative cost which will be funded through the overall interest and 9% of the total interest on an annual basis will be used to support this.

TYPES OF OBLIGATIONS AND THE METHODOLOGY FOR CALCULATING THE REQUIRED CONTRIBUTION

Some contributions through this Supplementary Guidance are based on a per-house-equivalent. The figures below calculate the contribution required. A three bedroomed house is taken as a 'standard sized unit (SHUE)'.

1 bed = 0.6
2 bed = 0.8
3 bed = 1 'standard sized unit'
4 bed = 1.2
5 bed = 1.4
6 bed = 1.6

Where an application is received for Planning Permission in Principle and the precise mix of units is not available then a formula may be included within the agreement to allow the contribution to be calculated based on the mix proposed or a subsequent assessment undertaken.

STRATEGIC TRANSPORTATION

Strategic Transport Fund (STF) projects have been identified by a partnership group consisting of officers from Aberdeen City Council, Aberdeenshire Council, the Strategic Development Planning Authority, Transport Scotland and NESTRANS. Funds realised from this initiative will deliver strategic infrastructure as development comes forward for implementation across the region. These funds will be managed and delivered by Nestrans. Separate guidance produced by the Aberdeen City and Shire Strategic Development Plan Authority titled "Delivering Identified Projects through a Strategic Transport Fund" sets out the methodology and requirements.

LOCAL TRANSPORTATION

All developments, regardless of STF requirements, will be assessed in terms of their impact on the local transport network and may be required to mitigate these impacts. All developments, where impacts requiring mitigation have been clearly identified, will make an appropriate contribution towards local transport infrastructure and / or services related to that development, to ensure that the required facilities / infrastructure provision is in place in time to mitigate the impacts of the development.

EDUCATION

When and where do they apply?

In order to ensure the necessary infrastructure is delivered timeously to meet the required need, mitigation will be sought from all residential development where the school roll is expected to exceed 80% of the maximum capacity and cumulatively along with other identified development the roll is projected to exceed 100% of the maximum capacity.

The required additional capacity will be provided by the most appropriate method by either a permanent extension, reconfiguration of the existing building to provide additional classroom space, or through the erection of a new build school. As these separate methods have differing associated costs, separate rates will be applied. These rates are identified in Table 2. If the necessary capacity can be delivered through a rezoning exercise then a contribution will be sought towards the cost of the rezoning consultation.

How is the contribution calculated?

The annually published School Roll Forecasts are used as the baseline data. The larger the household the greater the potential impact on the school roll, therefore, the Standard Household Unit Equivalent (SHUE) is taken into consideration in calculating the education mitigation. Please note: one bed properties are not considered to generate an education requirement.

A baseline school roll forecast excluding the development is run and then the SHUE is entered into the Housing section of the most recent school roll forecast in the development start year to review the impact on the school roll. The maximum number of pupils over the planning capacity in a 5 year period is then taken, and multiplied by the relevant rate.

$$\text{Maximum Number of Pupils Over Capacity} \times \text{Relevant Rate} = \text{Contribution}$$

In light of the small scale nature of the development, it is considered fair and reasonable to apply a discount of 80% to the contribution sought for education mitigation for single unit developments, and 60% for developments that propose 2 or 3 units.

Rates

TYPE OF MITIGATION	PRIMARY SCHOOL RATE PER PUPIL
New Build (232-462 capacity)	£25,737.00
New Build (450+ capacity)	£22,305.00
Permanent Extension	£2,751 per sqm*
Reconfiguration	£7,300.00
Rezoning	£3,820.00

(*Indicative, dependant on nature of extension required as a result of development)

TYPE OF MITIGATION	ACADEMY RATE PER PUPIL
New Build (801-1200)	£28,838.10
New Build	£26,216.45

(1200+)	
Permanent Extension	£2,751 per sq,m*
Reconfiguration	£9,733.00
Rezoning	£3,820.00

Land Requirements

On larger developments, there the development as a whole or as part of a masterplan, generates the need for a new school, the developer will be required to reserve and provide an appropriate sized area of land for a school based on the following:

Primary School: 5.5 acres (2.2 hectares) (based on a 232-460 place community school)

7 acres (2.8 hectares) (based on a 460+ place community school)

Secondary School: 26 acres (10.5 hectares) (based on a 1200 place community school).

Consultation should be undertaken with the Council in respect of the location of any school sites as part of a development and land provided to be reasonably flat, at Nil value and serviced at the developer's expense. Where a new school is required then a proportional land value element may be required.

PPP Schools (A rate has not been included for this element)

HEALTHCARE FACILITIES

Healthcare facilities can include General Medical Services (GMS), Dental Services and Community Pharmacies.

Scottish Health Planning Notes provide national guidance on standards and specification for healthcare facilities.

When and where does it apply?

Applies to all residential developments where the capacity of existing facilities will be exceeded as a result of the development. Site specific requirements are identified in the Settlement Statements.

The baseline is identified as the recommended number of patients of 1500 per General Practitioner (GP). Contributions may be sought for a new build facility, permanent extension or internal reconfiguration works to provide additional capacity.

How is the contribution calculated?

No of SHUE x Relevant Rate = Contribution

The Scottish Health Planning Notes identify a floorspace requirement per GP of 271m². Primary healthcare provision now also includes a number of Community Health Partnership (CHP) facilities located within the same facility. Additional floorspace is therefore included for this element.

REQUIRED MITIGATION	CONTRIBUTION PER SHUE
Permanent Accommodation	£1,280.00
Internal Reconfiguration	£645.00

For development sites where a new build facility is proposed then a proportionate land contribution may also be required. This may be in the form of serviced land at nil value or a financial contribution.

WASTE AND RECYCLING FACILITIES

Development may generate a need for new or additional waste and recycling facilities to service the growing population. The Settlement Statements identify where there is a requirement for new or replacement facilities to serve communities in line with the Updated Integrated Sustainable Waste Management Strategy for Aberdeenshire 2001-2020.

Contributions are calculated at a cost per standard house unit equivalent and will be spent on facilities that serve the local population. Costs per household for each type of facility are based are set out in the table below.

TYPE OF FACILITY	CONTRIBUTION PER SHUE
Full-time Household Waste & Recycling Centre	£218
Waste Transfer Station/Bulking Point	£120

COMMUNITY FACILITIES

Community facilities include provision such as town, community and village halls.

When and where do they apply?

In order to ensure the necessary infrastructure is delivered to meet resident's needs, mitigation will be sought from all residential development where it has been identified, it is likely that as a result of new development under provision of facilities would occur.

Contributions may be required where the existing facility is likely to be impacted on by new development and subsequently result in internal reconfiguration works to enhance the capacity of the building or additional works in the form of an extension or new build facility.

The required additional capacity will be provided by the most appropriate method, by either through re-configuration where possible to maximise use, or through the erection of new

community facilities. As these separate methods have different associated costs, separate rates will be applied. These rates are identified in the table below.

How is the contribution calculated?

The level of contribution is calculated on the requirement of 0.75sqm of community facility per dwellinghouse for developments of all sizes in line with recommended standards.

$$\text{No of SHUE} \times \text{Relevant Rate} = \text{Contribution}$$

REQUIRED MITIGATION	CONTRIBUTION PER SHUE
Permanent Accommodation	£1,181.00
Internal Reconfiguration	£661.00

SPORTS & RECREATION FACILITIES

Sports & Recreation facilities include both indoor and outdoor facilities including sports halls, football pitches, rugby pitches, all weather pitches, multi use games areas, cricket pitches and any supporting facilities.

When and where do they apply?

In order to ensure the necessary infrastructure is delivered to meet resident's needs, mitigation will be sought from all residential development where as a result of development within the area additional provision is required. This is detailed in the settlement statements.

Requirements are calculated on the basis of academy catchment area and funds will be utilised for provision within the academy catchment.

How is the contribution calculated?

Requirements are calculated on the basis of provision within the academy catchment area. A baseline is used to calculate the using requirement for Sports & Recreation space for different elements based on population numbers, and current provision.

Where an area is underprovided for in terms of indoor and/or outdoors sports facilities, normally identified in the Settlement Statements, then a contribution would be required.

The required mitigation will be provided by the most appropriate method, by either through re-configuration where possible to maximise use, extension to existing provision, or through the erection of new Sports & Recreation facilities. Furthermore, indoor and outdoor rates will differ and as these separate methods have different associated costs, separate rates will be applied. These rates are identified in the table below.

TYPE OF FACILITY	CONTRIBUTION PER SHUE
Outdoor Sports Facilities (New Build)	£805.00
Indoor Sports Facilities & Community Learning Hubs (New Build)	£1,215.00
Outdoor Sports Facilities (Reconfiguration)	£451.00
Indoor Sports Facilities & Community Learning Hubs (Reconfiguration)	£680.00