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**RESPONSE TO ANGUS COUNCIL DRAFT DEVELOPER
CONTRIBUTIONS SUPPLEMENTARY PLANNING GUIDANCE 2016**

July 2016

ABOUT HOMES FOR SCOTLAND

Homes for Scotland is **the** voice of the home building industry.

With a membership of some 200 organisations together providing 95% of new homes built for sale in Scotland each year as well as a significant proportion of affordable housing, we are committed to improving the quality of living in Scotland by providing this and future generations with warm, sustainable homes in places people *want* to live.

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PROCESS

Homes for Scotland represents members on a wide range of issues affecting their ability to deliver much needed homes.

Our views are endorsed by committees and advisory groups utilising the skills and expertise of key representatives drawn from member companies.

This response has been discussed and agreed by the Homes for Scotland East Central Scotland House Builder Committee.

Response to Angus Council Draft Developers Contributions Supplementary Planning Guidance 2016

1. Introduction

- 1.1 Homes for Scotland welcome the opportunity to provide comments on the draft Angus Council Developer Contributions Supplementary Planning Guidance 2016 Obligations. Additionally we would also confirm that we will not be making any comments on the Design and Place Making or the Housing in the Countryside Supplementary Planning Guidance in this instance.
- 1.2 Whilst Homes for Scotland welcomes this insofar as the Council has at least tried to set out in a reasonably clear manner the type developments that are likely to attract developer contributions we are concerned that the draft SPG fails to provide our members with sufficient explanation of, or justification for, the types of contributions and their costs being proposed.

2. The Purpose of Developer Contributions

- 2.1 Firstly, it is important to set out the context in which all developer contributions must be based on, which is Planning Circular 3/2012 on Planning Obligations. Essentially, Angus Council is required to comply strictly with each of the five tests set out in the circular. This means that developer contributions can only be sought where they meet all of the following five tests:
- are necessary to make the proposed development acceptable in planning term;
 - 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 or 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.
- 2.2 Homes for Scotland acknowledge that Angus Council have within the guidance set these tests out but the Council must be satisfied that that an obligation is related to the use and development of land and the subsequent

judgement of this is rooted firmly within the development plan. This would enable potential developers to be aware when undertaking development appraisals and in designing their proposals of the likelihood of a planning obligation being sought, and, the likely financial requirements of that planning obligation.

- 2.3 The recent Court of Session decision on the Aberdeen City and Aberdeenshire Strategic Transport Fund underlines the importance of establishing a direct relationship between the level of contribution sought and the impact of development, as set out within Circular 3/2012 on Planning Obligations and Good Neighbour Agreements.
- 2.4 We are concerned that there are a number of issues that require a much greater level of scrutiny and justification from the Council. These are set out below.

3. General Issues

- 3.1 Homes for Scotland welcomes that Angus Council through Policy TC3 sets out how affordable housing will be secured for all development of 10 or more dwellings, or where a site is equal to or exceeds 0.5ha with the resultant affordable housing allowance being set at 25%. This reflects national planning policy. Moreover, Homes for Scotland would also commend the Council in not seeking to seek affordable housing contributions from sites of less than 10 units. It is also welcomed that Angus Council will look at flexible and innovative ways of delivering affordable homes, working in partnership with developers.
- 3.2 Homes for Scotland would nonetheless comment that the Council needs to demonstrate through their appropriate housing teams a commitment towards feeding into the process to meet the specific need requirements. If affordable mixes are known and can be confirmed at the pre-application stages, this would greatly assist our members in designing and planning sites that meet the needs of the Council's affordable housing needs from the outset.
- 3.3 Whilst the Council have published average costs per unit of implementing parks and open space, which is to be welcomed in principle, Homes for Scotland considers that these rates need to be properly justified and not just merely specified. Any subsequent justification and workings must be clearly set out in a logical manner in appendices of the SPG. Any contributions should only be sought where development cannot make onsite provision in line with Council policy.

4. Education Contributions

4.1 Whilst the Council on section 5 of the SPG have sought to set out the indicative levels of developer contributions per secondary school catchment area, we note that under section 4.2 of the SPG that there will be a review of the Angus Council school estate which will feed into the Council's 30 year development strategy. Homes for Scotland are concerned that no indication as to when this will happen and what impact this could have has been given by the Council. The draft guidance gives no indication on what the impact of development might be on schools in Angus. Developers cannot reasonably be expected to commit large sums of money without the opportunity to firstly understand how these figures were calculated. It is essential that an evidence base is provided to support costing's set out in section 4.2. Homes for Scotland requests further information within the Supplementary Guidance on the following:

- Capacities of each school in Angus;
- Details of the percentage of out-of-catchment area placing requests, and the impact on capacities;
- Thresholds at which extensions and new schools will be triggered;
- Impact of developments allocated within the Local Development Plan on these school capacities in terms of the rate of capacity fill-up;
- Details of a range of sizes of extensions, not just the price per unit.

4.2 These figures will depend on the rate of development, which will vary from area to area and across time, therefore this guidance requires to be regularly updated and monitored to ensure that contributions are proportionate. It is acknowledged that the Council has established a Planning Obligations Monitoring Group to report and monitor on a quarterly basis the progress of developer contributions made to the Council. This is to be welcomed but it is important to ensure that these reports are published in the interests of openness and transparency.

4.3 The annual process undertaken by each planning authority of the Housing Land Audit (HLA) could be a useful basis for monitoring. Within the HLA, developers provide relevant, up to date information on market conditions and programming for sites within the effective, established and constrained land supply. This is a good example of positive cooperative working between the development industry and the Council, and could be used alongside accurate information from the council's Education department to build up a precise picture of capacity fill-up in relation to the scale and rate of development.

- 4.4 It is helpful that the Council in Appendix 1 summarises the type of developer contributions that will be sought from development in Angus but the list is different to that which is set out in section 3 of the SPG. This requires to be clarified.
- 4.5 Under section 4.2 of the SPG the Council has set out its requirements in terms of education contributions and in particular the product ratio for primary education which is set at 0.23. Homes for Scotland would point out that not every primary school in Angus will set out a 0.23 pupil ratio requirement. As a consequence of this, the Council need to be clear on school rolls both existing and projected. Moreover, the cost per unit for education requires to be backed up showing cost breakdown for new build provision, extensions and reconfigurations so that the industry has clear set out costs in terms of what is expected of them and must be clearly set out as an appendix to this SPG.
- 4.6 Likewise, secondary Education contributions as set out on pg.11 of the SG are not accepted. As with primary contributions above, not every secondary school within the Angus area will create a 0.17 pupils ratio requirement. Angus Council need to be clear on school rolls both existing and projected. In addition, the cost per unit for education requires to be backed up showing cost breakdown for new build provision, extensions and reconfiguration. This has not been done in the SPG. This must be clearly identified within the appendix of the SG document for clarity.

5. Transportation Contributions

- 5.1 Under section 4.5 the Council have sought to set out developer contributions relating to transportation. In respect of this Homes for Scotland would comment that there is little in the way of detail. Whilst we understand that applications have to be dealt with on a case by case basis, we would urge the Council to give more specific advice that is clearly set out particularly in relation to strategic projects so that our members can move forward with confidence knowing as far as possible what is expected from them. We note that the Council has indicated that at present further work on programming and costing for these inventions (the wider strategic road network) is on going and therefore further guidance/advice may be produced in due course. No indication has been given as to what this will include or when it would it would be likely to be published for consultation. Further clarification on this point would be welcomed by Homes for Scotland.

6. Health Care Facilities

- 6.1 Homes for Scotland fundamentally object to developers contributing to facilities which are funded through general taxation, notably in this particular case Healthcare. Health care providers have a statutory duty to provide health care facilities. Whilst it is acknowledged that there is significant and growing

private sector involvement in providing services, it is entirely-inappropriate for one sector of business to be asked to subsidise another. Moreover Angus Council states that in regard to this that it does not expect any contributions being required to extend to mitigating any current deficit in provision and will only seek contributions to effectively mitigate the impact of a proposed development. Even if the principle of this type of contribution was justifiable which is not the case here, Homes for Scotland would fundamentally question how the Council would ensure that this would be the case.

6.2 Furthermore, there are fundamental practical problems, notwithstanding the objection to the principle. Healthcare facilities are planned and run by a variety of mechanisms from Health Boards and Trusts through to GP practices, which are in effect businesses. There is no clarity in the Guidance as to who is determining the need for, provision of and timing of facilities to serve new development. No costs in this regard have been given by the Council.

7. Conclusions

7.1 In order to attract investment into Angus, and to ultimately deliver enough homes for people who need them, this Developer Contributions Supplementary Planning Guidance must provide more clarity for the development industry on what contributions will be required. It is hoped that the comments made in this response will be taken on board and reflected in any subsequent revision of this Supplementary Planning Guidance.

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