

Developer Contributions Supplementary Guidance

Iùl Leasachail Thabhartasan Luchd-leasachaidh

Adopted November 2018



Please note that the labelling of Map 4.1 has been updated to accurately reflect the developer contribution requirements set out in paragraph 4.1.

Main Sections

1 Introduction	2
2 Schools	13
3 Community Facilities	16
4 Affordable Housing	18
5 Transport	29
6 Green Infrastructure	33
7 Water and Waste	35
8 Public Art	38
9 Community Benefit and Emerging Policy Requirements	39
10 Payments and Administration	41

Appendices

Appendix 1 Viability Assessment Outline Requirements	46
Appendix 2 Schools Assessment Methodology	50
Appendix 3 Standard Transport Requirements	55
Appendix 4 Worked Examples	63

1 Introduction

Ro-ràdh

- 1.1 This guidance sets out Highland Council's approach to mitigating the impacts of development on services and infrastructure by seeking fair and realistic developer contributions to the delivery of such facilities. This guidance forms part of the Council's development plan which is used in the determination of planning applications.
- 1.2 **This guidance applies to all forms and types of development, including single house developments.**
- 1.3 This guidance relates to the area covered by the Highland-wide Local Development Plan (HwLDP) and the associated adopted and emerging Area Local Development Plans (Area LDPs). This guidance is also used to inform decision making within the Highland area of the Cairngorms National Park.

Aim of This Guidance

- 1.4 Infrastructure is key to the delivery of the vision and strategy of the Local Development Plans (LDP) for Highland. The LDP recognises that growth in population, housing, business and industry may require new and improved infrastructure. These infrastructure requirements are set out in the LDPs with delivery progress and updates being reported within [LDP Delivery Programmes](#)⁽¹⁾.
- 1.5 Development should not unacceptably impact upon existing levels of service provision. Where development, either individually or cumulatively, is identified to have an adverse impact developers can be asked to provide or make financial contributions towards the delivery of new or improved infrastructure.
- 1.6 The Council's preference is for direct developer provision either on-site or off-site. Where this is not possible, proportionate contributions paid to the Council are required to mitigate the impact of the development. Such contributions must however be balanced carefully with site development costs to ensure that development remains viable and can deliver the Council's aspirations for economic growth.
- 1.7 To support the delivery of the LDPs, this guidance sets out the Council's proposed approach to determining infrastructure requirements associated with development and a framework for the collection and expenditure of contributions to ensure the timely delivery of infrastructure.
- 1.8 Table 1.1 summarises the types of development which may trigger the need for contributions. This is not an exhaustive list.

1 https://www.highland.gov.uk/info/178/local_and_statutory_development_plans/809/delivery_programmes

Table 1.1 - Contributions Matrix

Development Type	Schools	Community Facilities	Affordable Housing	Transport	Green Infrastructure	Water and Waste (1)	Public Art
Residential (2)	Yes	Yes - 4 or more homes (3)	Yes - 4 or more homes (4)	Yes	Yes - 4 or more homes	Yes	Yes
Business	No			Yes			
Industrial (inc. energy)							
Retail							

1. For all scales of projects, water/waste connections are required and these utility costs are not usually covered by developer contributions. These should be budgeted for separately, forming part of the developer's project costs. Scottish Water recommends that the developer submits a Pre Development Enquiry Form so that these network costs can be budget for.
2. Including affordable housing and any tourist accommodation suitable for permanent residential occupancy.
3. Developments of less than 4 homes which form part of a wider site are required to contribute towards community facilities - refer to Section 3.
4. Developments of less than 4 homes which form part of a wider site, and all homes in the Cairngorms National Park, are required to contribute - refer to Section 4.

1.9 Sections 2 to 8 of this guidance sets out how to calculate each type of infrastructure contribution. Section 9 details other voluntary community benefits and emerging policy requirements and Section 10 provides payment details.

1 Introduction

Policy Context

1.10 This guidance has been prepared in accordance with Scottish Government policy and the HwLDP. It should be read alongside the adopted and emerging:

- Area LDPs, specifically settlement and site specific development requirements;
- LDP Delivery Programmes;
- Other policy based Supplementary Guidance; and
- Development Briefs / masterplans and other planning guidance.

Existing and Emerging Development Briefs

1.11 Some types of developer contributions for specific sites or areas are also set out within Development Briefs and other planning guidance. The most up to date guidance for each type of contribution will usually apply however the Council will advise at the pre-application stage as to which rates apply depending on the timing and circumstances of each planning application. Unless stated otherwise, all developer contributions in this document, Development Briefs and other planning guidance are subject to indexation to allow for inflation.

Cairngorms National Park

1.12 The statutory development plan within the Cairngorms National Park comprises the Cairngorms National Park LDP and its associated Supplementary Guidance. These documents are prepared by the Cairngorms National Park Authority and define the items towards which developer contributions will be sought within the Highland area of the Cairngorms National Park. However, the Council is responsible for providing services including education, libraries, waste, and transport in the Park. This guidance is therefore relevant in determining developer contribution requirements for proposals in the National Park towards these services.

How to Use This Guidance

1.13 This guidance is used in the determination of **all planning applications (including single houses)** where there is judged to be implications for services and infrastructure. It applies to all undetermined planning applications at the point of the document's adoption. **The financial implication of this guidance should be factored into development appraisals prior to land deals and commercial decisions being taken.**

Wherever a blue box such as this appears in this document, these boxes contain the headline contribution requirements and costs which should inform the basis of a development appraisal. All costs set out in this document are subject to indexation (unless otherwise stated in Section 10).

The supporting text provided alongside these boxes provide rational for the contributions, circumstances when certain contributions apply and the methodology for their calculation.

1.14 Developers of **small scale sites of less than four homes** are guided to:

- Review this section of the guidance in full and particularly: Planning Application Process, Small Scale Housing Sites and Contribution Variations or Exemptions **before**;
- Calculating developer contribution costs set out in Sections 2 to 8 (Appendix 4 provides worked examples); and
- Consider the up front payment option set out in Section 10.

1.15 Developers of **large scale sites** should review this guidance in full.

1.16 The guidance cannot be applied retrospectively to an existing detailed planning permission or planning permission in principle. If a planning application has however lapsed or is incapable of being implemented without variation, this guidance will be applied to any subsequent planning application, including applications for variation to planning conditions submitted under Section 42 of the Act or application for any change in land use.

1.17 In the determination of all planning applications, including Section 42 applications and further applications for the renewal of planning permission, proposals will be reassessed to ascertain the impacts of the development and where necessary, developer contribution requirements will be re-established by applying the most up to date provisions of the LDP, including this guidance, whilst also taking into account any developer contributions made to date. This could result in new, increased or reduced developer contributions taking into account the most up to date information at the time of the planning application's determination. It is therefore in the developer's interest to bring any issues with the implementation of any planning permission to the Council's attention at the earliest possible opportunity.

1 Introduction

Planning Application Process

1.18 To ensure that the scope of contributions are known from the outset the Council encourages early engagement by all developers and offers a [pre-application advice service](#)⁽²⁾. This service is offered for **all scales of development** and provides comprehensive, reliable and up to date advice.

1.19 To enable accurate contribution estimates to be provided, the following information is required:

- *Residential* - No. houses and flats proposed including a breakdown of:
 - One bedroom houses / flats;
 - Two bedroom flats;
 - Affordable and open market housing; and
 - Any accommodation which is not likely to result in permanent residential occupancy or accommodate resident school aged children (refer to Section 2 - Exemptions).
- *Business / Industrial / Retail* - Approximate gross floor space and parking nos. proposed.
- *Phasing* - The projected build out rate / year of first completions on-site and intended phasing thereafter.
- *Infrastructure* - Any infrastructure proposed to be provided on-site.

1.20 In the event that this level of information is still to be finalised, developers that have used the pre-application advice service can receive further contribution advice upon request to inform a planning application submission.

1.21 There may be circumstances where contributions affect the financial viability of development and this will be taken into consideration when determining planning applications as set out at the end of this section.

2 https://www.highland.gov.uk/info/205/planning_-_policies_advice_and_service_levels/785/planning_advice_-_pre-application_advice

Process for Determining and Securing Contributions		
1	Pre-Application Advice Outlines Contribution Requirements	Developer finalises proposals and considers the need to prepare a Viability Assessment which can be submitted with the planning application.
2	Planning Application Submitted	When a planning application is submitted, the Council will confirm the contribution requirements.
3	Developer Receives Detailed Contribution Requirements	Contribution requirements are based on an assessment of existing facilities and infrastructure to identify any capacity constraints. The developer will be provided with a summary of the contributions required together with details of how these have been calculated.
4	Developer's Response to Contribution Requirements	If contributions cannot be agreed / met in full, developer to submit a Viability Assessment to demonstrate need for any contribution variations.
5	Report of Handling Prepared	Contributions to be detailed this stage and included in the report.
6	Application Determined	Developer to make an up front payment or enter a legal agreement to pay later. The contribution rates will be frozen at this point providing the application receives a minded to grant decision and an up front payment / legal agreement is concluded within four months.

1 Introduction

Household Size

1.22 The contribution rates set out within this guidance do not vary by household size and are on a fixed per home basis⁽³⁾. The only exception to this is for school contributions where a separate rate is set out for two bedroom flats.

Small Scale Housing Sites

1.23 Small scale residential developments (including self-build plots) of one, two or three homes will receive a discount on catchment / zonal based contributions (schools and, if identified, cumulative transport) to reflect economies of scale and the need to maintain development viability. Table 1.2 details the applicable discounted rates per home. For example, a single house developer pays 20% of the contribution rates for schools and cumulative transport projects. Appendix 4 provides further indicative worked examples.

Table 1.2 - Small Scale Housing Rates

No. of Houses	1	2	3
Discounted developer contribution rate for schools and cumulative transport (<i>including any transport requirements identified in Development Briefs</i>)	0.2 / 20%	0.25 / 25%	0.3 / 30%

1.24 These rates do not apply where one or more of the following criteria apply:

1. The site lies within a landholding that has been subdivided;
2. The site lies within an area of wider development potential; or
3. Where additional home(s) are added to a wider housing site that already has planning permission.

1.25 Eligibility for a small scale housing site discount will be determined by the Council based on the above criteria. To inform this assessment, developers may be required to provide a plan identifying the extent of their entire land holding and the original landholding at the time of any historic planning permission.

1.26 The wider development potential of the site will also be informed by the indicative housing capacity set for allocated sites. For non-allocated (windfall) sites, this will be informed by the existing settlement pattern / prevailing housing densities in the locality, as well as any site development constraints.

3 For clarity, a home is the same as a 'Standard sized Residential Unit Equivalent' (SRUE) as referenced in the the Inverness East Development Brief.

1.27 Where an application is made for less than four homes, a legal agreement may be required to ensure that any further residential development on the site or landholding makes an appropriate contribution.

1.28 This approach is being carried forward from the previous DCSG adopted in March 2013, and any land subdivision, extant planning permissions or developments since then will therefore be considered.

Commercial Sites

1.29 For all other types of development, contributions are site specific and calculated as follows:

- *Transport* - Informed through Development Briefs, Cumulative Transport Contribution zones and Standard Transport Requirements. Larger developments may require a Transport Assessment to help inform the need and extent of mitigation required;
- *Green Infrastructure* - Green network impacts to be mitigated on case by case basis;
- *Waste & Water* - Infrastructure is expected to be integral part of the design of a development; and
- *Public Art* - Expected to be integral part of the development's design.

Contribution Variations or Exemptions

1.30 Contribution variations or exemptions will be considered for:

- *House extensions* - Exempt.
- *Re-development resulting in a reduction in floorspace or number of homes* - Contributions not normally required.
- *Re-development or sub-division resulting in additional homes* - Contributions are based on the net number of additional homes proposed. If less than four additional homes, a small scale housing site discount may apply.
- *Other* - Certain service and infrastructure specific exemptions are set out within each relevant section of this document.

1 Introduction

Development Viability

- 1.31** It is acknowledged that full infrastructure costs cannot always be met by the landowner / developer. Where a developer considers that planning policy and contribution requirements renders an otherwise commercially viable development commercially unviable, then the developer must justify this to the Council in a Viability Assessment to enable the Council to determine whether contributions should be reduced.
- 1.32** For development viability to be taken into account by the Council, the developer must demonstrate on an 'open book' confidential basis that the requirement for contributions makes the development commercially unviable.
- 1.33** Likely developer contribution requirements should be calculated by the developer and confirmed through the pre-application advice service **prior to land deals and commercial decisions being taken**. Where appropriate, this advice should inform the preparation and submission of a Viability Assessment with a planning application. Developers should avoid the purchase of land or agreeing options without factoring the need for sufficient developer contributions to ensure due diligence and to avoid complications at the planning application stage.
- 1.34** Should land acquisition deals / site option legal contracts be entered into ahead of receiving formal pre-application advice, it is strongly advised that adequate contingencies are put in place within such agreements to revisit the quantum of the land offer to cover the finalised developer contribution requirements which are outlined at the pre-application stage and finalised at the point of the planning application's determination. Such contingencies are also recommended to cover the potential requirement to re-work, refresh or modify planning permissions at later date.

Viability Assessment Process

- 1.35** The process of preparing a Viability Assessment and how this will be considered by the Council is set out below:

Step 1: Notify the Council and Prepare a Viability Assessment

- 1.36** Any developer / landowner which is unable to meet the developer requirements set out within pre-application advice should **notify the Council of their intention to commission the preparation of a Viability Assessment**. All Viability Assessments must be carried out at the developer's expense by an independent practitioner and suitably qualified chartered valuation surveyor. Details of [chartered valuation surveyors](#)⁽⁴⁾ can be found online.
- 1.37** A Viability Assessment allows comparison of costs to be evaluated against the projected development value and assessments must set out:

4 <https://www.ricsfirms.com>

- Proposed scheme details, including the number, size, type and tenure of homes / amount of commercial floorspace proposed;
- Projected market valuations for each home, including comparable local market sales information to demonstrate the Gross Development Value of the development;
- Indication of the timescales for marketing and sale of homes / development phasing details;
- Detailed breakdown of expected construction costs with specifications (including external works), finance costs, professional / marketing fees and any abnormal costs;
- Planning developer contribution requirements (to be finalised at the planning application stage);
- Verified site valuation (land costs) at time of the planning application submission; and
- The residual developer's profit margin on Gross Development Value.

1.38 Appendix 1 sets out further information requirements to be contained within a Viability Assessment. Further advice is available from the Royal Institute of Chartered Surveyors (RICS) website where a [Financial Viability in Planning Guidance Note](#)⁽⁵⁾ (1st Edition, August 2012) is available to download. Although the RICS guidance does not strictly apply in Scotland, there is currently no Scottish equivalent and the principles set out within this guidance remain valid. For small scale developers with limited Viability Assessment knowledge, through the formal pre-application service, the Council / District Valuer Service (or an agreed alternative independent third party advisor agreed by, and acting on behalf of, the Council) may be able to advise further regarding assessment information requirements.

Step 2: Submission and Review of the Viability Assessment

1.39 If an applicant decides to prepare a Viability Assessment taking account of the matters referred to above, this must be submitted to the Council with the planning application. If a planning application is submitted without a comprehensive Viability Assessment of sufficient quality, this will affect the ability and timescale for the Council to consider and determine the planning application.

1.40 Following receipt, **Viability Assessments require to be independently reviewed by the District Valuer Service (DVS)**⁽⁶⁾ or an alternative independent third party advisor agreed by, and acting on behalf of, the Council. This is required to corroborate any commercial non-viability and this advisor shall be appointed by the Council. The costs associated with this verification process will be dependent upon the quality of the information provided and a quotation will be provided on a case by case basis.

5 <http://www.rics.org/uk/knowledge/professional-guidance/guidance-notes/financial-viability-in-planning-1st-edition/>

6 <https://www.gov.uk/government/organisations/district-valuer-services-dvs/about>

1 Introduction

- 1.41** A report of the DVS's findings will be provided to the Council to corroborate any commercial non-viability. The Council will rely upon the advice provided by the DVS in determining the planning application.
- 1.42** In the event that the DVS is unable to undertake the verification process, the Council will raise this with the applicant ahead of considering the appointment of any other specialist property consultant - chartered valuation surveyor. When looking to appoint this independent advisor, the Council will firstly check with the applicant and the specialist property consultant to identify / declare any conflicts of interest. This check must be completed ahead of any development Viability Assessment being shared.
- 1.43** The only instances where the Council will not require independent verification of a Viability Assessment is where the cost / time associated with this process is disproportionate to the amount of developer contributions required. This will be determined by the Council on a case by case basis.

Step 3: The Council's Decision

- 1.44** Regardless of the agreed Viability Assessment findings, these are not binding. Any contribution variations remain at the Council's discretion and regardless of the Viability Assessment's findings, planning permission may still be refused. This is critical as the Council must not automatically accept varied contributions as these may be insufficient to mitigate the service and infrastructure needs of development. In such circumstances any decision to accept any contribution variations should be weighed up against the future prospects of more favourable development market conditions, changes in land values or an alternative revised development proposal coming forward which could significantly improve the viability of developing the site. In the event that the Council is faced with several sites in this position, the decision to continually allocate these sites will be assessed when reviewing the LDP.
- 1.45** For planning applications requiring a committee decision, the type and amount of contributions (including any reductions) will be included in the committee report. For planning applications determined under delegated powers, the type and amount of contributions (including any reductions) required to be agreed by the Area Planning Manager and detailed in the report of handling.

Freedom of Information

- 1.46** Viability Assessments and any associated information will be treated as confidential and will not be made publicly available. The contribution amounts to be secured will however be documented in planning reports and legal agreements. The Council may also be obliged to disclose information, including where it is subject to request under the Freedom of Information (Scotland) Act 2002 (FOI) or the Environmental Information (Scotland) Regulations 2004 (EIR). **Due to commercial sensitivity / the potential for adverse impacts on commercial interests, such requests will however be strenuously opposed** and the Council will out of courtesy, notify the developer of the FOI/EIR request.

Sgoiltean

- 2.1** School capacity is a high priority for the Council and is required to support planned population and housing growth. The quality of school provision contributes significantly towards making Highland an attractive place to live and assists with the marketability of new homes. Developments are assessed with regard to their impact on the school estate using the [School Roll Forecasts](#)⁽⁷⁾ (SRFs). This is based upon the existing and forecast school infrastructure capacity and the ability to accommodate pupils generated by development. Developer contributions for schools are outlined in the box below.

All residential development (including affordable homes) require to contribute towards new school infrastructure where insufficient capacity is identified. Tables 2.1 and 2.2 set out the contributions required towards meeting the cost of school provision that is necessary as a direct consequence of development.

Table 2.1 Primary School Developer Contribution Rates

Primary School Requirement	Per House	Per Flat*
1 Classroom Extension	£2,571	£1,457
2 Classroom Extension	£2,041	£1,157
Major Extension / New School - Build Costs	£7,359	£4,171
Major Extension / New School - Land Costs	Area Specific - See LDP Delivery Programmes	

Table 2.2 Secondary School Developer Contribution Rates

Secondary School Requirement	Per House	Per Flat*
1 Classroom Extension	£1,328	£715
2 Classroom Extension	£1,054	£567
Major Extension / New School - Build Costs	£3,482	£1,875
Major Extension / New School - Land Costs	Area Specific - See LDP Delivery Programmes	

*Flat rates relate to a two bedroom flat. Three or more bedroom flats (or two bedroom flats with an additional room, other than the living room, which is capable of conversion to a habitable bedroom) are subject to the house rate.

7 <https://www.highland.gov.uk/schoolrollforecasts>

2 Schools

- 2.2** The applicable school contribution requirements for each catchment area are set out within the [LDP Delivery Programmes](#)⁽⁸⁾.
- 2.3** Major extension / new school equivalent rates are required where more than two additional classrooms are required. Associated land costs may also be required in locations where major extensions can not be accommodated on existing school grounds. School land costs are not subject to inflation and should not be index linked (refer to Section 10).
- 2.4** Appendix 2 provides further detail on the Council's methodology for assessing the impact of development on school capacities and determining the requirement for contributions towards extended or new schools.

Nursery Provision

- 2.5** New primary school build costs incorporate an element of nursery provision. In all other areas, where there are no new primary school requirements, nursery provision will be assessed on a case by case basis. Emerging nursery legislative requirements may result in the need for a material increase in nursery provision and therefore contributions may be required to resolve capacity constraints. Prescribed rates will be set out once further research has been commissioned. Additional guidance on nursery provision and associated developer contributions may therefore form a future appendix or section of this guidance. Once prepared, this information will be subject to appropriate consultation being undertaken.

Use of School Contributions

- 2.6** School contributions will typically be invested within the relevant schools' catchment areas. Parental choice has introduced the right to make placing requests to alternative schools which makes it more difficult to forecast in detail where impacts will be felt. For the overall management of the school estate, and in order to suitably mitigate the impact of development and address capacity issues it may be necessary to create or amend catchment areas and / or invest developer contributions in neighbouring nursery / primary school catchment areas. This will only take place within the relevant secondary school catchment (known as the Associated School Group or ASG) and is on the condition that any spend of developer contributions mitigates the impact of the development for which the contribution was originally sought.

8 https://www.highland.gov.uk/info/178/local_and_statutory_development_plans/809/delivery_programmes

Exemptions

2.7 The following types of development are exempt from school contributions:

- *One bedroom homes* - Where it is clear that no additional rooms could be used as bedrooms.
- *Tourist accommodation* - Which is not likely to be suitable for permanent residential accommodation. Proposals will be assessed based on design and layout with consideration being given to the requirement for an onsite management office, communal facilities including parking and recycling, limited plot separation and removal of permitted development rights to avoid the creation of private garden ground. Such proposals will also be subject to occupancy restrictions, secured by title or planning condition. All other forms of tourist accommodation which is suitable for permanent residential occupation will be treated the same as any other form of residential home and will not be exempt.
- *Residential institutions* - I.e. residential care home, hospital, residential school, college or training centre, prison, etc.
- *Sheltered housing* - provided for people who require occasional support and assistance from a resident warden.
- *Student accommodation or houses in multiple occupation (HMO)* - With occupancy restrictions, secured by title or planning condition.

2.8 Developers seeking an exemption should raise this with the Council at the earliest possible opportunity. Affordable housing developments are required to contribute towards school provision.

3 Community Facilities

Goireasan Coimhearsnachd

Developments of four or more homes require to contribute towards the enhancement or creation of new community facilities in areas where a deficiency has been identified.

Contributions for indoor facilities are £1,019 per home, unless the development falls within an area covered by a Development Brief which specifies a higher rate.

Contributions for outdoor facilities are calculated on a case by case basis and the indoor facility contribution rate should be used as a guide.

Community facility contributions will either be required for indoor or outdoor facilities, but not typically for both. Where the need for both occurs, the higher of the two contribution rates applies.

In areas where community facility deficiencies have been identified, contributions will be required from development within the relevant secondary school catchment area. For large scale developments, the requirement for on or off-site community facility provision will be assessed on a case by case basis.

- 3.1** The need for contributions is determined by the capacity of the existing facilities and their ability to serve development. In some circumstances there will be no contribution required if the facilities are of an adequate size to cope with both existing and anticipated increase in usage.
- 3.2** The areas where community facility contributions are required is set out within the LDP, Development Briefs and [LDP Delivery Programmes](#)⁽⁹⁾. The areas with community facility deficiencies may be subject to change during reviews of these documents and early engagement as part of the pre-application process is essential to obtaining a fuller understanding of requirements.

Indoor Facilities

- 3.3** Contributions for indoor community facilities may be required for leisure / community centres, community halls or libraries. Contributions are calculated on the requirement of 0.69sqm of community hall space per home, using a build cost of £1,477 per sqm.

Outdoor Facilities

- 3.4** Contributions for outdoor community facilities may be required for district parks or any specially designed playing surface, used primarily for designated sports and typically (but not exclusively) include: pitches for football; cricket; rugby; shinty; hockey; bowling greens;

9 https://www.highland.gov.uk/info/178/local_and_statutory_development_plans/809/delivery_programmes

tennis courts; multi-sports courts; skate parks; cycle / athletics tracks; and associated land acquisition, ground enabling works, changing facilities, lighting, fencing, spectator areas and parking.

Provision within Schools

- 3.5** In areas subject to major extension / new school equivalent rates, an element of community meeting space and leisure provision is likely to be incorporated within the school. These facilities are however usually only available to the public on a restricted timetabled basis with priority given to teaching and after school groups. As such, provision within schools alone does not normally negate the need for contributions towards other indoor or outdoor community facility requirements.

Use of Community Facility Contributions

- 3.6** Community facility contributions will be invested within the relevant secondary school catchment area. In order to respond to emerging alternative community facility projects, contributions will not usually be tied to the delivery of any given project. In allocating contributions, the Council will give due regard to where these contributions have come from to ensure that the investment mitigates the impact of development.

Exemptions

- 3.7** Developments of less than four homes will usually be exempt from community facility contributions unless the proposal is not eligible for a 'Small Scale Housing Site' discount (refer to criteria in Section 1).

4 Affordable Housing

Taigheadas aig Prìs Ruigsinneach

Developments of four or more homes require to contribute 25% equivalent of affordable housing in areas of need. 15% of the 25% affordable housing requirement must be wheelchair liveable.

Developments of less than four homes (Small Scale Housing Sites) also require to make an equivalent affordable housing contribution in areas of need and in certain other circumstances.

Commuted affordable housing payments will only be acceptable on an exceptional basis and will be assessed on a case by case basis.

Developers are required to enter into early discussions with the Housing Authority to agree the tenure split and type of affordable housing required on a case by case basis.

- 4.1** The Council's policy approach to affordable housing provision is set out in HwLDP Policy 32: Affordable Housing. Scottish Planning Policy, Planning Advice Note 2/2010 Affordable Housing and [Housing Land Audits](#)⁽¹⁰⁾ provide further guidance and information on the provision of affordable housing.

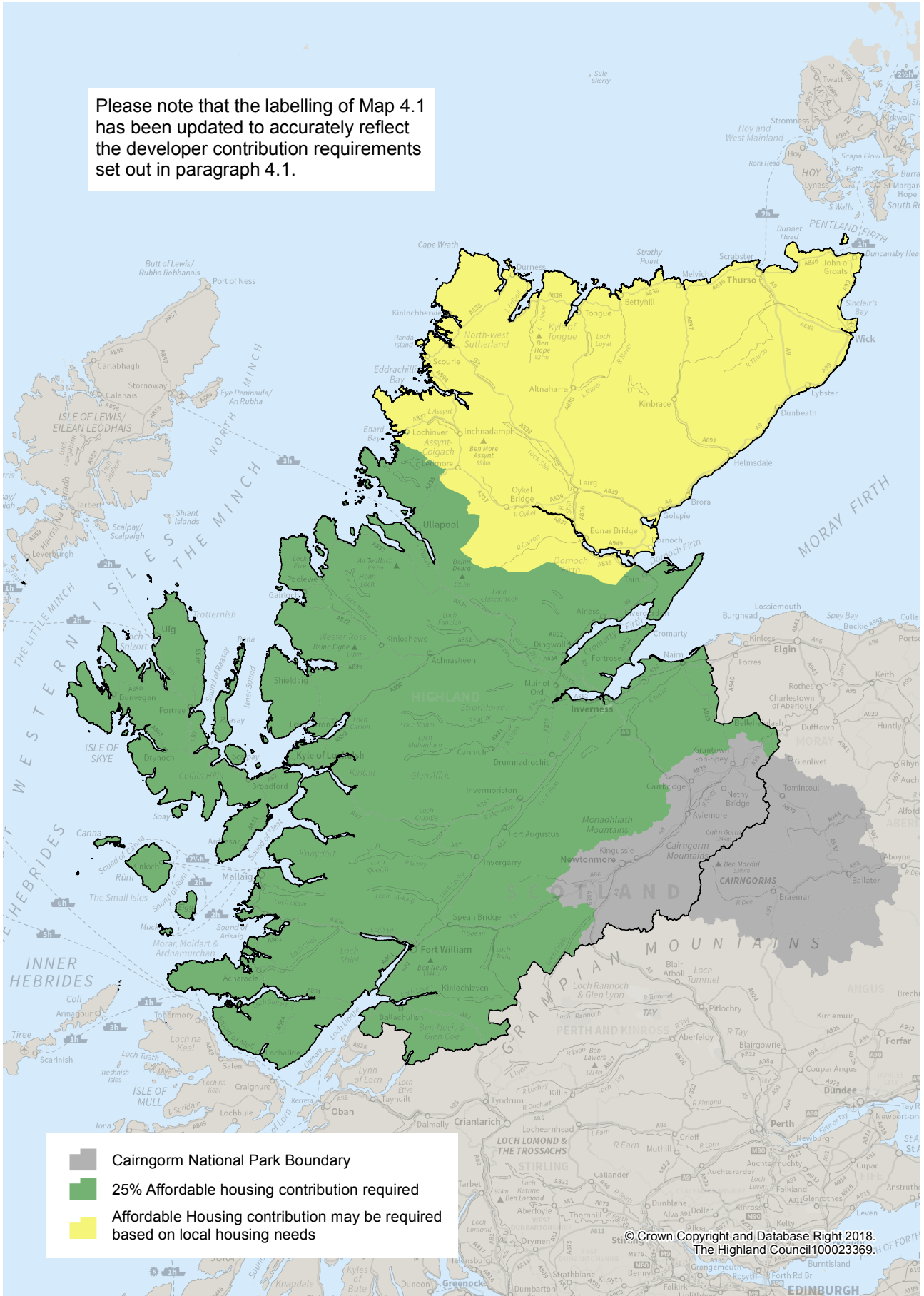
Affordable and Accessible Housing Requirements

- 4.2** Studies of housing need and affordable housing requirements have been carried out across the Council area as part of the preparation of the Housing Need and Demand Assessment (HNDA) 2015. The HNDA gives long run estimates of housing need, and provides an evidence base for the Council's [Local Housing Strategy](#)⁽¹¹⁾ and LDPs.
- 4.3** In line with national guidance, the HwLDP and on the basis of the findings of the HNDA all housing market areas in Highland with the exception of Caithness Housing Market Area and Sutherland Housing Market Area are required to provide 25% affordable housing. This requirement applies to all sites, including both allocated and windfall regardless of whether they fall within a defined settlement development area. It is acknowledged that there is a lower demand for affordable housing in Caithness and Sutherland.
- 4.4** Map 4.1 illustrates where affordable housing requirements in these areas will be assessed on a case by case basis informed by local housing needs. The Local Housing Strategy for example identifies Dornoch, Embo and Lochinver as priority communities where there is demand for affordable housing. When calculating the level of contribution required the contribution will be rounded to the nearest whole number of homes.

10 https://www.highland.gov.uk/info/205/planning_-_policies_advice_and_service_levels/556/housing_land_information

11 https://www.highland.gov.uk/info/917/housing/658/housing_strategy

Please note that the labelling of Map 4.1 has been updated to accurately reflect the developer contribution requirements set out in paragraph 4.1.



- Cairngorm National Park Boundary
- 25% Affordable housing contribution required
- Affordable Housing contribution may be required based on local housing needs

© Crown Copyright and Database Right 2018.
The Highland Council 100023369.

4 Affordable Housing

- 4.5** The HNDA also found that long term demographic and health changes, in particular the growth of an elderly population, is likely to require additional provision of wheelchair housing. To help meet this demand the Council will require a minimum of 15% of the 25% affordable housing to be wheelchair liveable. When calculating the requirement for wheelchair housing, this will be rounded to the nearest whole number of homes. For example, a 16 house development would require to deliver 4 affordable homes and 0.6 (1) of these affordable homes will require to be wheelchair liveable.
- 4.6** Wheelchair liveable is defined as a wheelchair accessible home which can be easily adapted for residents who are wheelchair users or have mobility difficulties. That is a home which is designed to fully comply with the required standard, but which may not be fully fitted out with specialist kitchen and bathroom fittings and grab rails. The fit-out may be delayed until the allocation of a resident and a discussion between them and their Occupational Therapist. Further details of the required standard are set out at Section 10 of [Firm Foundations, Design Brief: Building Homes for the Highlands](#)⁽¹²⁾.
- 4.7** The proportion of wheelchair liveable housing required will be dependent on local housing needs, and also on the suitability of a site in terms of accessibility to services and topography. Wheelchair housing is expected to be provided in the form of detached and semi-detached bungalows or flats. Upper floor flats which are wheelchair liveable must have a lift. Wheelchair housing must also comply with Housing for Varying Needs Standard, including the standards specific to 'dwellings for wheelchair users'. Early advice should be sought from the Council's Housing Service to determine requirements. Where wheelchair liveable housing is required, this may result in a reduction of the overall number of affordable homes provided, however, this will only be considered in exceptional circumstances and remains at the Council's discretion.

Exemptions

- 4.8** Currently affordable housing contributions are required for developments of four or more houses, or for small scale housing sites in certain circumstances as set out below. In the future, the Council intends to remove this four or more threshold to enable affordable housing contributions from all scales of residential development. This change can however only happen following a review of the HwLDP.

Small Scale Housing Sites

- 4.9 Residential developments of less than four homes** usually do not require to contribute towards affordable housing provision. This is not however the case for Highland areas within the Cairngorms National Park where the National Park LDP specifies the need for affordable housing contributions. In all other areas of Highland, the requirement for affordable housing contributions from small scale housing sites is triggered where any of the following apply:

12 https://www.highland.gov.uk/downloads/file/19461/firm_foundations_design_brief_-_building_homes_for_the_highlands

1. The development would result in the fourth home to be developed on the original (primary) landholding;
2. The site lies within an area of wider development potential; or
3. Where additional home(s) are added to a wider housing site that has planning permission.

4.10 HwLDP Policy 32 states: *'Outwith settlement development areas, a contribution towards affordable homes attributed against the primary landholding, will apply in respect of every fourth dwelling granted planning permission.'* It also states: *'This policy applies to dwellings granted planning permission on or after the date of adoption of this local development plan.'* This was April 2012. In order for the Council to determine the need for affordable housing contribution, developers may be required to provide a plan identifying the extent of their entire land holding and the original landholding at the time of any historic planning permissions since April 2012.

4.11 The wider development potential of the site to accommodate four or more homes will be informed by the indicative housing capacity set for allocated sites. For non-allocated (windfall) sites, this will be informed by the existing settlement pattern / prevailing housing densities in the locality, as well as any site development constraints.

4.12 Where an application is made for less than four homes, a legal agreement may be sought to ensure that any further residential development on the site or landholding makes an appropriate contribution.

Other Exemptions

4.13 The following types of development are also exempt from affordable housing contributions:

- *Tourist accommodation* - Which is not likely to be suitable for permanent residential accommodation. Proposals will be assessed based on design and layout with consideration being given to the requirement for an onsite management office, communal facilities including parking and recycling, limited plot separation and removal of permitted development rights to avoid the creation of private garden ground. Such proposals will also be subject to occupancy restrictions, secured by title or planning condition. All other forms of tourist accommodation which is suitable for permanent residential occupation will be treated the same as any other form of residential home and will not be exempt.
- *Residential institutions* - i.e. residential care home, hospital, residential school, college or training centre, prison, etc. Sheltered housing / accommodation provided for elderly people will however be regarded as open market housing and will not be exempt as this form of housing caters for general housing needs, not affordable housing needs.

4 Affordable Housing

- *Student accommodation or houses in multiple occupation (HMO)* - With occupancy restrictions, secured by title or planning condition.
- *Conversions of existing properties in Inverness City Centre* - Exemption applies for up to 10 homes within Inverness City Centre (as defined by the Inner Moray Firth LDP).

Definition of Affordable Housing

4.14 Affordable housing can be broadly defined as housing of a reasonable quality that is affordable to people on modest incomes. In some places the market can provide some or all of the affordable housing that is needed, but in other places it is necessary to make housing available at a cost below market value to meet an identified need with the support of subsidy.

4.15 The Council accepts the following categories of development as affordable:

- *Social rented accommodation* - owned and/or managed by a Registered Social Landlord (RSL) required to meet bona fide local needs by their charter from the Housing and Regeneration Division of the Scottish Government.
- *Approved private rented accommodation* - owned and /or managed by a private sector landlord to approved management and maintenance standards with equivalent to RSL rents.
- *Mid market rented accommodation* – properties that are let at a maximum of 80% of current average private rented housing in the local housing market area.
- *Low cost owner occupation* - which can be met in a variety of ways subject to negotiation of Agreements providing for occupants to be drawn from target client groups, such as existing social tenancies or approved waiting list applicants. Low cost home ownership is housing which is provided at a price at a maximum of 80% of open market values; at the benchmark value set at Table 4.2. Low cost owner occupation can be delivered by one or more of the following:
 - *Shared ownership* - accommodation where occupiers may purchase part of the property (usually 25%, 50% or 75%) and rent the remainder from a Registered Social Landlord or alternative approved landlord. Occupiers have the right to buy further 25% tranches of the equity up to and including 100%.
 - *Shared equity (LIFT)* - model where occupiers may purchase part of a property (up to 80%) and a RSL retains the remaining share. The owner generally pays between 60 and 80% of the price of a property with the remainder held by a RSL using grant

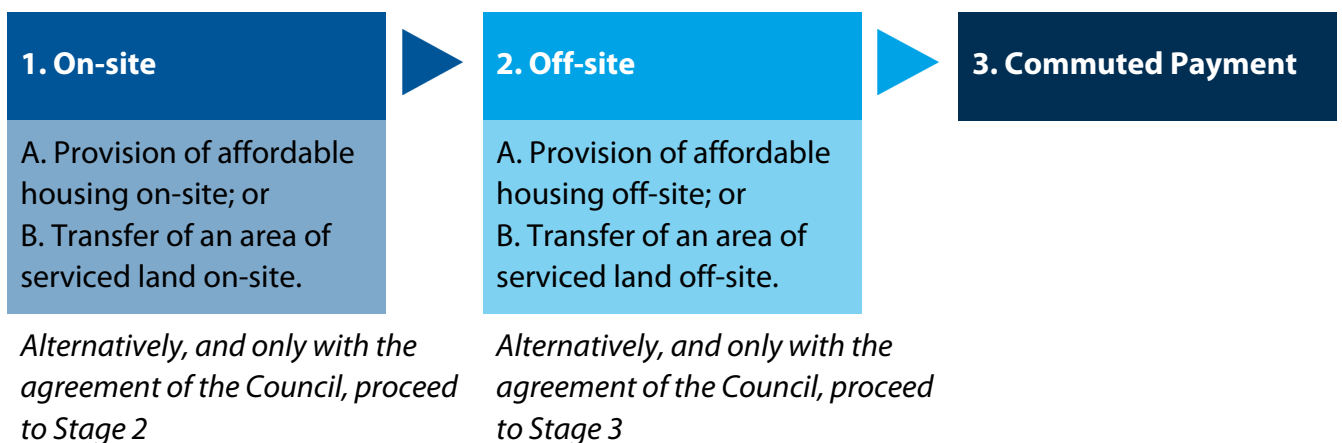
funding from the Housing and Regeneration Division of the Scottish Government. The RSL as well as the owner will benefit from any equity gain when the property is sold.

- *Subsidised home ownership* - possibly involving public sector subsidy to developers (such as the Housing and Regeneration Division of the Scottish Government grant or similar), with clawback mechanisms applying to the owner-occupier for a proportion of any increased value accruing in the event of early disposal.
- *Unsubsidised Low Cost Home Ownership or serviced plots* - other owner occupied housing may be accepted where the Council and a developer agree this type of housing meets an identified substantial housing need, e.g. discounted sales by a developer with restricted initial and subsequent sales of the homes by Section 75 obligations or Deed Restricted Housing. Also discounted serviced plots that are offered to qualified persons directly by the landowner or developer concerned may prove appropriate. Each case will be required to be considered on its merits with regard to the particular need of the community.

Mechanisms for Securing Affordable Housing

4.16 Table 4.1 sets out the sequential approach applied to the delivery of affordable housing, subject to the availability of public subsidy. Developers are required to deliver affordable housing on-site (1) unless the Council determines that off-site provision is acceptable (2) or as a final resort, the Council determines that a Commuted Payment (3) is acceptable. Prior to the submission of a planning application, developers are strongly encouraged contact the Council's Housing Service to agree the number, type and mix of affordable housing on-site, in accordance with [Firm Foundations, Design Brief: Building Homes for the Highlands](https://www.highland.gov.uk/downloads/file/19461/firm_foundations_design_brief_building_homes_for_the_highlands) ⁽¹³⁾.

Table 4.1 Sequential Approach



13 https://www.highland.gov.uk/downloads/file/19461/firm_foundations_design_brief_-_building_homes_for_the_highlands

4 Affordable Housing

4.17 The practical difficulties of managing the delivery of very small numbers of affordable homes on-site (usually one to three homes) have been highlighted by both the private and public sector. The sequential options for the delivery of affordable housing contributions for smaller schemes is set out below, subject to the availability of public subsidy:

- 1B - Transfer of an area of serviced land on-site;
- 2B - Transfer of an area of serviced land off-site; or
- 3 - Commuted payment.

1. On-site Provision

A - Provision of Affordable Housing On-site

4.18 Where affordable housing is being provided on-site the homes will either be built by or transferred to a RSL or the Council with the exception of discounted for sale, unsubsidised houses, student accommodation and approved private rented accommodation.

4.19 Where a RSL (to be nominated by the Council) or the Council is involved, developers should enter into partnership / discussion with them at an early stage to ensure that the development will provide the type and size of affordable housing required to meet the needs in the area and how the Housing and Regeneration Division of the Scottish Government funding requirements can be met.

4.20 The developer will be required to build an agreed number, type and mix of affordable homes on-site, including any required wheelchair housing (to *Housing for Varying Needs* standards issued by the Housing and Regeneration Division of the Scottish Government) for subsidised sale or rent through an approved RSL. The housing must be sold at a price equal to benchmark value as defined by the Council (refer to Table 4.2) and in force at that time. Where the affordable element is to be delivered by the developer deadlines must be set for the delivery of the affordable housing relative to the timescale of delivery of the private housing.

Table 4.2 Benchmark Affordable Housing Values, April 2017 (£)

Area	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person
East Mainland	113,850	126,500	132,825	139,150	145,475	151,800
West Mainland and Skye	118,800	132,000	138,600	145,200	151,800	158,400

Notes on Table 4.2:

- Benchmark affordable housing values are subject to regular review in line with Scottish Government grant funding. As such, these figures together with affordable housing commuted payments are not subject to indexation and up to date benchmark values and fixed commuted sums will be published on the [Council's website](#)⁽¹⁴⁾ on a regular basis.
- Values shown are the overall amounts payable to a developer (including all land, constructions and fees).
- Values exclude any fees payable to the affordable housing provider.

B - Transfer of an Area of Serviced Land On-site

4.21 Alternatively the land for the affordable housing element can be transferred to the Council or a RSL for them to develop. Developers will agree to transfer an area of serviced land to a RSL or the Council for a valuation based on affordable housing only (as agreed by the District Valuer Service or an agreed chartered valuation surveyor).

2. Off-site Provision

A - Provision of Affordable Housing Off-site

4.22 In cases where the Council determines that on-site provision cannot be achieved, the Council will accept the affordable provision off-site or the transfer of an area of serviced land off-site. The judgement as to whether off-site provision is acceptable will be based on a number of factors including the desire to achieve balanced communities, the individual site circumstances in terms of the location and accessibility and any difficulties associated with its development.

4.23 If the Council is prepared to accept the provision of the affordable housing contribution off-site the developer will be required to build an agreed number, type and mix of affordable homes on another site in the community that is under their control (to *Housing for Varying Needs* standards issued by the Housing and Regeneration Division of the Scottish Government) for subsidised sale or rent through an approved RSL or the Council. The housing must be sold at a price equal to the Highland Council benchmark value in force at that time. Where the affordable element is to be delivered by the developer, deadlines must be set for the

14 https://www.highland.gov.uk/directory_record/712087/developer_contributions

4 Affordable Housing

delivery of the affordable housing relative to the timescale of the private housing. For the avoidance of doubt any provision of affordable housing off-site will be in addition to the affordable housing requirement relating to the alternative site.

B - Transfer of an Area of Serviced Land Off-site

4.24 Alternatively the land for the affordable housing element can be transferred to the Council or a RSL for them to develop. Developers will agree to transfer an area of serviced land for a valuation based on affordable housing only (as agreed by the District Valuer Service or an agreed independent chartered valuation surveyor).

3 - Commuted Payment

4.25 Commuted payments are intended to be equivalent to the difference between the value of the affordable home and the value of the equivalent private home to ensure that the financial impact to the developer is the same as if the developer built the affordable homes on-site. Commuted payments may only be acceptable if there are no suitable sites brought forward after following the sequential tests above or there are restrictions to the availability of public subsidy.

4.26 Commuted payments will be used to enable off-site provision to make an equal and equivalent financial contribution to an affordable housing accumulator fund managed by the Council to promote the direct provision of affordable accommodation with an approved RSL on other sites. Income from this source will be identified in the local authority's Strategic Housing Investment Plan (SHIP).

4.27 Where **16 or more homes** are proposed the affordable provision must be delivered within that settlement provided it is an area of need. Where no suitable sites can be found within that settlement the provision must be provided as close as possible to the settlement and ideally within a five mile radius. For developments of **less than 16 homes** the commuted sum may be spent within the local housing market area.

4.28 Where commuted payments are agreed, they should normally be payable as early as possible in the development to ensure that there is no time lag between completion of the private housing and the supply of the affordable housing. If the Council is unable to attract public funding for the provision of affordable housing in the form of on-site or off-site provision, then the provision in relation to commuted payments will be invoked and the developer will be entitled to develop the remainder of the site for non-affordable housing.

Fixed Commuted Sums

4.29 As fixed commuted sums payable to the Council will vary over time and will differ by area, these are updated regularly and published online via the [Council's website](#)⁽¹⁵⁾. These fixed commuted sums are calculated by an independent chartered valuation surveyor to ensure that they reflect the equivalent average cost of providing all different types of affordable housing.

15 https://www.highland.gov.uk/directory_record/712087/developer_contributions

- 4.30** Whilst developers should obtain exact fixed commuted sums online, **for indicative budgeting purposes only** a four house development would be expected to make an affordable housing contribution in the order of £25,000 to £35,000, equating to £6,250 to £8,750 per home.
- 4.31** As benchmark affordable housing values are subject to regular review in line with Scottish Government grant funding, these figures, together with the fixed commuted sums, are not subject to indexation.

Securing Affordable Housing

- 4.32** The Council's preferred method of delivery will be through the use of a Section 75 obligation. In exceptional circumstances other mechanisms may be used to secure affordable housing this includes when a developer has legally agreed to enter into a contract with a RSL prior to the determination of the planning application.
- 4.33** Landowners and developers will not be permitted to evade the terms of this policy by artificial sub-division of landholdings since the terms of the Section 75 obligation will be made binding on successive proprietors. Agreements will require the transfer of land, erection of dwellings or financial payments for affordable housing purposes to be completed to a similar time scale to the non-affordable housing unless otherwise agreed with the Planning Authority.

Type, Design and Layout of Affordable Housing

- 4.34** Developers are required to enter into early discussions with the Housing Authority to agree the tenure split and type of affordable housing required on a site by site basis. The tenure split and range of house types of affordable housing required will be informed by the Housing Need and Demand Assessment, Local Housing Strategy, Highland Housing Register and current local housing needs surveys.
- 4.35** Where the proposed mix of affordable housing has been agreed in advance, these details should be clearly set out within a schedule and provided at the planning application stage together with details of any delivery partner (i.e. a RSL). This helps to ensure that the proposals meet with the aforementioned definition of affordable housing.
- 4.36** Affordable housing for rent should be concentrated in small groups. For larger developments of 100 homes or more, affordable housing should be dispersed throughout the development or in any event, in clusters of no more than 30 homes. Affordable housing for rent should be concentrated in small groups and the overall mix of house types and tenure will be at the discretion of the Council.
- 4.37** The affordable housing component should be well-integrated with the overall development and have good linkages to surrounding services including public transport and usable public open space. Affordable houses should be similar in design and materials to market housing and there should not be a significant outward difference in the style of homes or layouts. They should be indistinguishable from the general mix of other houses on the site in terms of architectural quality and detail.

4 Affordable Housing

4.38 The whole development should be completed within a similar timescale unless otherwise agreed with the Council. Furthermore unless agreed, the land transferred for affordable housing should not be subject to any particular development constraints.

Retention of Affordable Housing

4.39 Affordable housing will normally be expected to remain affordable in perpetuity (to subsequent and future households, not just the first). The most common mechanism for securing housing as affordable in perpetuity is for the house/s to be managed by a RSL or local housing authority. Where there is no RSL or local housing authority involvement and where no other form of public subsidy is being used to provide the affordable housing the applicant/landowner may be required to enter into a planning obligation or condition to ensure the house/housing is retained as affordable in perpetuity.

4.40 Low cost home ownership opportunities are also being retained through the application of a rural housing burden to the resale of these properties. The Rural Housing Burden (RHB) retains a pre-emption right to secure the affordability of land bought and the houses then built on it, so that successive local purchasers on modest incomes, who could not otherwise afford to compete on the open housing market, will be able to access a form of low cost home ownership in which the “subsidy” remains locked in forever. Local Housing Associations and Trusts are registered rural housing bodies which means they are allowed to attach RHB to the title of land sold, the Burden is applicable throughout all of the Highland Council area.

Còmhdhail

- 5.1** Development can often have implications for the transport network. To mitigate any impacts financial contributions and/or the direct provision of transport infrastructure and services may be required to support the delivery of development.
- 5.2** To assess the implications of and infrastructure requirements for development, background reports and modelling has been undertaken to identify key transport issues to be addressed through new development. This has informed the developer requirements set out in the LDP and area specific Development Briefs. The LDP Delivery Programmes also play a vital roll in providing regular updates on transport infrastructure projects, delivery timescales, funding commitments and developer contribution requirements.
- 5.3** This guidance complements the items already identified in LDPs, Development Briefs and the LDP Delivery Programmes by setting out further detail on how the mitigation requirements for transport will be identified.

All development is assessed in terms of its impact on the transport network. For the following types of transport infrastructure and services developer contributions and/or direct provision may be required to mitigate the impacts of a proposed development. These are described in further detail in this section.

- **Standard Transport Requirements** - including:
 - Walking / cycling provision and paths;
 - Safer routes to schools and road safety measures;
 - Public realm and wayfinding;
 - Public transport services and facilities;
 - Road improvements (including access and service requirements for single house developments); and
 - Parking, electronic vehicle charging, signals, lighting and road traffic orders.

- **Cumulative Transport Contributions.**

5 Transport

Standard Transport Requirements

5.4 All developments will be assessed in terms of their impact on the transport network. For larger developments the requirements are informed primarily on the findings of an agreed Transport Assessment. For smaller developments, proposals will be assessed against the Council's and/or Transport Scotland's prevailing standards.

5.5 Transport infrastructure requirements and costs will vary from site to site. Developers are expected to meet in full the cost of all on and off-site works required to facilitate development as identified through the planning application determination process. Depending on circumstances, contributions may be required towards improvements being constructed by the Council or others. Specific guidance that will inform the requirements for transport contributions and/or provision include:

- The refreshed draft [Regional Transport Strategy](#)⁽¹⁶⁾, May 2017 and the existing [Local Transport Strategy](#)⁽¹⁷⁾, August 2010 which both set the direction in policy terms for the transport network investment in Highland;
- [Active Travel Audits and Masterplans](#)⁽¹⁸⁾ which identify and assist in delivering walking, cycling and access to public transport improvements;
- [Guidelines for Transport Assessments](#)⁽¹⁹⁾, November 2014 which sets out the process required for scoping and undertaking site specific Transport Assessments on local roads in the Highlands;
- [Roads and Transport Guidelines for New Development](#)⁽²⁰⁾, May 2013 which sets the standards for the provision of transport infrastructure;
- [Access to Single Houses and Small House Developments](#)⁽²¹⁾, May 2011 which sets out access, road safety and drainage requirements for smaller developments;
- [The Road Asset Management Plan](#)⁽²²⁾, November 2016 which sets out the Councils operational plan for maintenance of road assets for the period 2016 – 2019; and
- [National Roads Development Guide](#)⁽²³⁾, February 2014 published by SCOTS and endorsed by the Council.

16 https://hitrans.org.uk/Strategy/Regional_Transport_Strategy

17 https://www.highland.gov.uk/downloads/download/144/local_transport_strategy

18 https://www.highland.gov.uk/info/1523/transport_and_streets/121/local_transport_planning

19 https://www.highland.gov.uk/downloads/file/12194/guidelines_for_transport_assessments

20 https://www.highland.gov.uk/downloads/file/2652/roads_and_transport_guidelines_for_new_developments

21 https://www.highland.gov.uk/downloads/file/2346/access_to_single_houses_and_small_housing_developments

22 https://www.highland.gov.uk/downloads/download/110/road_asset_management

23 <http://www.scotsnet.org.uk/documents/national-roads-development-guide.pdf>

- 5.6** Appendix 3 provides examples of necessary transport mitigation measures which are considered during the assessment of a proposed development. To obtain a fuller understanding of transport mitigation requirements early engagement with the Council's Transport Planning team as part of the pre-application process is essential.

Cumulative Transport Contributions

- 5.7** In certain locations across Highland a number of different development sites contribute to the need for a strategic transport project or intervention that helps to mitigate the cumulative impact of development. The Southern Distributor Road in Inverness is a good example of where multiple development sites delivered over many years have been required to make a financial contribution to transport infrastructure. More recently the Council has set similar requirements for development adjacent to the West Link road to make contributions towards its delivery through the Torvean and Ness-side Development Brief. The Inverness East Development Brief also identifies infrastructure requirements for wider transport projects in this area. The Inner Moray Firth LDP also refers to transport projects such as the upgrade to Tomich junction at Invergordon, and the Kinnairdie Link Road in Dingwall, where developer contributions are required to mitigate cumulative transport impacts.
- 5.8** The Council will continue to prepare Development Briefs and equivalent documents to identify strategic transport interventions and associated developer contribution requirements. Alongside, the Council are considering identifying other areas where cumulative transport contributions would be required to mitigate cumulative development impacts. Such an approach is likely to be focused on areas of Highland where there is a greater scale of development and could support the delivery of a package of measures which are essential to the delivery of development, such as:
- Walking and cycling improvements;
 - Improved access to public transport;
 - New and improved roads and bridges; and
 - Traffic management, including junction improvements.
- 5.9** The methodology for apportioning contributions in each area would require further engagement with affected parties, and Transport Scotland for Trunk Road related projects, and investigation of the following:
- Existing and forecast traffic flows from development;
 - Relationship / proximity to transport network interventions;
 - Estimated costs for interventions and likely sources of funding;

5 Transport

- Catchment(s) for which proportionate contributions may be sought (potentially based on a gravity model with development closer to congestion hot spots having a greater impact and need for mitigation);
- Scale of development and range of land uses to be included; and
- Implications for development viability.

5.10 Once prepared this information may be incorporated in a future appendix to this guidance or a Development Brief, as appropriate, subject to appropriate public consultation being undertaken.

5.11 Whether a development falls within a cumulative transport area or not, development proposals will still require Transport Assessments to identify the need for site specific transport mitigation measures and quantify the impacts, including trip rates, on the wider strategic transport network. The Council will use this information to assess proposals on a case by case basis to determine if development impacts require to be mitigated through contributions towards strategic transport interventions which are set out in the LDP, Development Briefs and LDP Delivery Programmes. Contributions would however be considered towards such strategic schemes which have been designed to accommodate past and future development to mitigate cumulative impacts.

Bun-structair Uaine

Open Space

Residential developments of four or more homes require to contribute towards the provision of new/improved off-site open space and/or play areas where on-site provision is not possible.

Contributions towards off-site provision will be calculated on a case by case basis.

- 6.1** The Council's [Open Space in New Residential Development Supplementary Guidance](#)⁽²⁴⁾ sets out the open space requirements for new residential development including the quantity standard of 40 sqm per person in specified regional, sub-regional and local centres (refer to the open space guidance) and 25 sqm per person elsewhere. Average occupancy rates differ across Highland, these are set out in the open space guidance and the [Inverness City Centre Development Brief](#)⁽²⁵⁾. Open space should be delivered on-site and only in exceptional circumstances will contributions be sought to the provision of new/improved open spaces and/or play areas off-site.
- 6.2** In 2010 the Council published a [Green Space Audit](#)⁽²⁶⁾ which is taken into account in assessing open space requirements in Inverness and larger towns and villages within Highland. It provides a high level assessment of the quantity, quality and accessibility of open space in settlements and is a useful source to identify areas and opportunities for future improvement.

District Parks

- 6.3** Where the need for a district park has been identified in the LDP, Development Briefs or LDP Delivery Programme, this requirement will be regarded as an outdoor community facility space which is additional to any open space requirements for residential development.

24 https://www.highland.gov.uk/directory_record/712037/open_space_in_new_residential_development

25 https://www.highland.gov.uk/directory_record/712053/inverness_city_centre_development_brief

26 https://www.highland.gov.uk/directory_record/712037/open_space_in_new_residential_development

6 Green Infrastructure

Green Networks

All development is required to protect and enhance the green network.

Major residential developments in the A96 Corridor require to contribute towards the specific priority enhancement projects set out in the Green Networks Supplementary Guidance. Elsewhere, the green network is expected to be delivered through the design and layout of development.

- 6.4** The [Green Networks Supplementary Guidance](#) ⁽²⁷⁾ identifies priority projects for the enhancement of the green network, including the A96 Corridor. The guidance sets out the ambition to link green spaces, walks, woodlands, other habitats and countryside along miles of paths and cycle routes bringing a range of social, economic and environmental benefits to Highland.
- 6.5** In all areas of Highland, the principles set out in the Green Network Supplementary Guidance must be applied when considering the design and layout of development. The Council requires the protection and enhancement of all features which contribute towards the green network.
- 6.6** In the A96 Corridor, major residential developments increase pressure on access resources and create the need for new trails. Therefore direct on-site provision and/or contributions towards these wider linkages are required. The protocol for quantifying these contributions is set out in the Green Networks Supplementary Guidance.

Built and Natural Heritage

All development is required to safeguard and enhance the built and natural environment. There may be instances where environmental mitigation measures result in the need for off site physical works, developer contributions or financial guarantees to provide sufficient environmental safeguards. In such instances, contribution requirements will be assessed on a case by case basis.

- 6.7** Developers are required to give due consideration to the built and natural heritage when formulating their proposals. It is not expected that that financial contributions for the natural or built heritage should be an acceptable starting point for any proposal. This type of contribution would generally be a last resort and contributions may only be necessary where the Council or another public agency requires to intervene to enable development and safeguard the environment.

27 https://www.highland.gov.uk/directory_record/712038/green_networks

Uisge agus Sgudal

Water

All development may be required to provide contributions that could lead to a net benefit in the condition of and risk from the water environment.

- 7.1** This section outlines instances when the Council may require flooding and drainage related water infrastructure contributions. These contributions would not go towards public sewer network connections or improvements as may be required by Scottish Water. These should be budgeted for separately, forming part of the developer's project costs. Scottish Water recommends that the developer submits a [Pre Development Enquiry Form](#)⁽²⁸⁾ to identify any network costs⁽²⁹⁾. This is a free service which assists with determining development viability.
- 7.2** The adopted [Flood Risk and Drainage Impact Assessment Supplementary Guidance](#)⁽³⁰⁾ sets out the detail of the Council's flood risk and drainage assessment and mitigation requirements. The Council intends to review this document to reflect evolving best practice. This section outlines instances when the Council may require water infrastructure related contributions.

Catchment Improvement Works

- 7.3** Developers may be required to provide financial contributions towards, or carry out themselves, capital improvement works to reduce the risk of flooding within the catchment where their development is taking place. Measures may be identified by the Council's Flood Risk Management Team which may include (but not be limited to) culvert replacements, headwall/ wingwall improvements, debris screen improvements, and erosion control/ mitigation measures.

Strategic Flood Schemes

- 7.4** Proposed strategic flood schemes are detailed in the Council's Capital Programme and are set out within LDP Delivery Programmes. It is now standard practice that strategic flood schemes should not generally be designed to facilitate additional development potential but the principal design consideration should be to protect existing properties. In developing

28 <http://www.scottishwater.co.uk/assets/business/files/connections%20documents/asset%20vesting/predevelopmentenquiryformapril2017.pdf>

29 Local bulk infrastructure, such as trunk mains and trunk sewers, water service reservoirs, wastewater pumping systems and some SuDS are known as Scottish Water Part 3 Assets. Should these Part 3 Assets need to be upgraded as the result of the development then the responsibility for this rests with the developer, however they will be entitled to a Reasonable Cost Contribution from Scottish Water. Strategic assets such as raw water intakes, water impounding reservoirs, raw water pumping stations, aqueducts and water and wastewater treatment works are termed as Part 4 Assets. Scottish Water is funded to upgrade Part 4 Assets when there are growth requirements, initiated by a development meeting Scottish Water's five Growth Criteria

30 https://www.highland.gov.uk/directory_record/712040/flood_risk_and_drainage

7 Water and Waste

a Flood Protection Scheme, the Council will determine the appropriate level of protection that can be provided relative to the potential damages incurred by existing properties and infrastructure. This standard of protection may not be sufficient to meet the test required for new development. Developers should refer to SEPA's [Planning Information Note 4: SEPA position on development protected by a Flood Protection Scheme](#)⁽³¹⁾ for further guidance.

- 7.5** In exceptional cases, where an agreement is reached with a developer or landowner to enhance or augment a strategic flood scheme to a higher standard of protection that would allow new development, and that change results in an enhancement of development potential / increase in land value, any resultant increase in scheme project costs requires to be fully recovered from the developer or landowner on a proportionate basis. For example, where existing properties, land uses or other potential development sites would also benefit, the additional scheme costs should be proportionately split. Such additional scheme costs can be recovered by the Council through developer contributions and/or the prior transfer of land within the developer's control to the Council (at nil consideration) to assist with the delivery of the wider scheme. Any alterations to a strategic flood scheme remains at the discretion of the Council and will only be considered where there is a demonstrable wider public benefit.

Maintenance and Repair of SuDS

- 7.6** The Council's preference is that Sustainable Drainage Systems (SuDS) are designed and constructed by the developer to a standard that will allow for future vesting (adoption) by Scottish Water. Guidance on [SuDS](#)⁽³²⁾ and [asset vesting](#)⁽³³⁾ is available online. The Council and Scottish Water aspire to develop an agreement under Section 7 of the Sewerage (Scotland) Act 1968 for each drainage scheme.
- 7.7** The Council will not vest SuDS for housing developments where Scottish Water has refused to vest, unless the SuDS receive only roads drainage and are designed and constructed to the satisfaction of the Roads Authority.
- 7.8** A factoring arrangement for the maintenance of communal spaces and SuDS features above ground (financed by the owners or occupiers of the development) may be required. This should follow the approach for open space maintenance detailed in the Council's [Open Space in New Residential Development Supplementary Guidance](#)⁽³⁴⁾. The factor must have the technical knowledge and competence necessary to maintain and repair SuDS infrastructure.

31 <https://www.sepa.org.uk/media/306610/planning-information-note-4-sepa-position-on-development-protected-by-a-flood-protection-scheme.pdf>

32 <http://www.scottishwater.co.uk/business/connections/connecting-your-property/sewers-for-scotland-and-suds>

33 <http://www.scottishwater.co.uk/business/connections/connecting-your-property/asset-vesting>

34 https://www.highland.gov.uk/directory_record/712037/open_space_in_new_residential_development

Waste

All development requires to make provision for waste management, including bins and recycling points as set out in the [Managing Waste in New Developments Supplementary Guidance](#)⁽³⁵⁾. The following standard planning condition will usually apply:

A suitable and sufficient off-street storage area shall be maintained at all times for refuse containers associated with this development. All refuse and recycling materials associated with the development shall be stored within the approved area detailed on the site plan REF X. No refuse or recycling material shall be stored or placed for collection on the public highway or pavement, except on day of collection.

Recycling Points

All commercial convenience retail developments and residential developments of 100 or more homes, or residential developments which significantly expand a settlement, may create a need for new or improved recycling point provision. In areas where an existing deficiency exists, a new recycling point is expected to be provided on-site or in the immediate vicinity.

- 7.9** It is expected that residential developments will have access to a recycling point within 1 km. Each recycling point is typically designed with a capacity to serve around 600 homes and has a serviced land requirement of 20 sqm. Each recycling point shall comprise three colour separated glass banks which developers are required to fund at a cost of around £1,510.
- 7.10** On-site provision is always the Council's preference, however where this is not achievable, the Council may agree that an off-site solution is suitable. In such cases, developer contributions may be required to cover the cost of land acquisition and associated servicing costs.
- 7.11** In certain circumstances, the Council may require a higher quality design of recycle point provision or underground storage. Costs for such facilities are considerably more and the specification for recycle point provision must be established through consultation with the Council's Community Services Team.

35 https://www.highland.gov.uk/directory_record/712036/managing_waste_in_new_developments

Ealain Phoblach

Where appropriate developments are required to provide public art, particularly on prominent sites or on sites of historic or cultural significance.

- 8.1** As set out in the the [Public Art Strategy: Supplementary Guidance](#)⁽³⁶⁾ public art helps to ensure a high quality of development and can be delivered in a number of ways including street furniture, lighting, fixtures, fittings, landscaping, boundary treatments or sculptural works.
- 8.2** In all but exceptional circumstances, public art should be provided on-site and it is rare that developer contributions towards off-site public art provision are required. The [Public Art Strategy: Supplementary Guidance](#)⁽³⁷⁾ states that the Council's preference is for public art to be an integral part of the overall design of a development integrated to promote neighbourhood identity and a distinctive sense of place.
- 8.3** Developments required to incorporate public art should set aside a proportion of the capital budget of a development for commissioning public art. The scale and characteristics of new developments will determine what proportion of the capital budget is appropriate and the Council does not insist upon any set percentage. Once planning permission has been granted, the developer will take responsibility for funding and managing the approved public art project; this will include its commissioning, manufacturing, installation and maintenance.
- 8.4** In rare exceptional circumstances, the Council may agree that a developer is unable to deliver public art of a sufficiently high quality on-site or delivery on-site is not the most desirable option due to limited public accessibility to appreciate its provision. In these circumstances the Council may secure public art by planning condition or legal agreement. This enables the Council to collect contributions for public art from several development projects for the delivery of public art in the wider area. The Council will work with the developer to agree the most appropriate method for the management, implementation and maintenance of off-site public art, ensuring that the public art to be provided maintains a strong relationship with the developments which contribute towards its' provision.

36 https://www.highland.gov.uk/directory_record/712041/public_art/category/471/public_art

37 https://www.highland.gov.uk/directory_record/712041/public_art/category/471/public_art

9 Community Benefit and Emerging Policy Requirements

Buannachd Choimhearsnachd agus Riatanasan Poileasaidh a' Tighinn am Bàrr

Community Benefit

- 9.1** Community benefit is a goodwill contribution voluntarily donated by a developer. It is for the benefit of communities affected by development where this will have a long-term impact on local resources and the local environment.
- 9.2** There is no legal requirement on a developer to offer a community benefit donation and Scottish Government planning guidance prevents this type of payment from becoming a condition of planning permission. The Council has no powers of enforcement if a developer is unwilling to make a contribution and community benefits cannot be regarded a material consideration in planning application decision making.
- 9.3** Planning obligations differ from community benefits in that they are required to address the impact of any development. They should not be viewed as abnormal costs by developers or seen as 'community benefit', but integral to delivering the development.
- 9.4** Regardless if developer contributions are required, the Council supports developers in considering the provision of other community benefits as part of their development proposal. The Council want to make sure that local communities benefit directly from the use of their local resources and are compensated for the disruption and inconvenience associated with large scale development work.
- 9.5** The Council's [Community Benefit Policy](#)⁽³⁸⁾ provides further information which is particularly relevant for large scale developments such as renewable energy schemes.

Emerging Policy Requirements

- 9.6** Other emerging policy requirements which the Council expects developer to consider when preparing development schemes are set out below. These infrastructure items are likely to be incorporated within future revisions of this guidance once parent policies have been prescribed and agreed through emerging LDPs.

Broadband and Digital Infrastructure

- 9.7** The Council encourages the provision of fibre broadband direct to the home and business premises as an integral part of development. Investment in digital infrastructure including the "Digital Fibre Network" (a National Development defined by [NPF3](#)⁽³⁹⁾) is vital to sustainable economic growth and is essential part of development.

38 https://www.highland.gov.uk/info/198/planning_-_long_term_and_area_policies/639/community_benefit

39 <http://www.gov.scot/Publications/2014/06/3539/downloads>

9 Community Benefit and Emerging Policy Requirements

Efficient Use of Heat

- 9.8** The LDP encourages maximising energy efficiency and renewable sources of energy as part of sustainable design. This includes consideration of low or zero carbon heating and district heating schemes by making use of the Scotland Heat Map which provides information on heat demand and supply opportunities.
- 9.9** Strategic identification and analysis of district heating network opportunities has also been undertaken for the WestPlan area, documented in the Background Paper [WestPlan District Heating Opportunities Assessment](#)⁽⁴⁰⁾. That work has been undertaken to inform the WestPlan and the Highland HERO (Heat Energy & Renewable Opportunities) which is the approach that the Council are taking towards heat and energy solutions in the Highlands.
- 9.10** Future district heating networks may serve existing and/or new development and consideration of potential for networks is strongly encouraged. The Council will look for appropriate opportunities through pre-application discussions with landowners and prospective developers, considering options for the Council's own property and housing stock and working with partners.
- 9.11** Heat network on-site infrastructure provision or contributions may be required in the future as a result of strategy and policy development, availability of incentives and any new regulatory requirements.

40 https://www.highland.gov.uk/info/178/local_and_statutory_development_plans/582/west_highland_and_islands_local_development_plan/2

Pàighidhean agus Rianachd

10.1 Contributions will be secured through:

- Up front payment;
- Section 69 of the Local Government (Scotland) Act 1973;
- Section 48 of the Roads (Scotland) Act 1984; or
- Section 75 of the Town and Country Planning (Scotland) Act 1997 as amended by the Planning Etc. (Scotland) Act 2006.

10.2 A legally binding Section 75 agreement (also referred to as a planning obligation) is likely to be required for larger contributions to secure through phased payments and in perpetuity with each successor in title. The need for a planning obligation or any other type of agreement may be removed where developers choose to pay financial contributions in full prior to planning consent being issued.

Up Front Payment

10.3 An up front payment is encouraged wherever possible, especially for small scale developments of less than four homes (including single houses). This option is often desirable when the time and legal costs to set up a planning obligation are disproportionate to the level of contribution required.

10.4 Once the amount of financial contribution required has been established and confirmed by the Council, the developer will be informed of the payment options. If a developer opts to make an up front payment in full to the Council, an invoice will be issued within 14 days and an up front payment can then be made online as per the instructions below. Once issued, an invoice must be paid within 14 days. Failure to do so may result in a planning application being refused.

Up Front Payment Instructions

- Visit: www.highland.gov.uk/pay
- Select Planning & Building Standards.
- Complete 'your details' and once on the 'payment' screen.
 - For Payment Category – select 'Other'.

10 Payments and Administration

- For Payment Type – select 'Developer Contributions'.
- For Application Reference Number – insert your planning application reference number.
- Once a payment has been made, please email **income.section@highland.gov.uk** detailing the planning application reference number, date and amount of the payment.

10.5 Upon receipt of an up front payment in full, the planning permission decision notice will be issued within 14 days.

Phased Payments

10.6 Where a planning obligation is entered into, developers may have the option to phase payments over the lifetime of a development. For developments of four or more homes it is the Council's standard that twice yearly payments are made on the **1st April** and **1st October** each year based on the number of homes completed⁽⁴¹⁾ in the six months preceding these dates. Invoices are issued by the Council to request payment shortly after these dates. For non-residential developments any phasing of payments will be agreed on a case by case basis.

10.7 The Council are committed to concluding planning obligations within four months of a decision being made to grant planning permission. Failing to conclude within this timescale may result in a planning application being refused.

10.8 A developer may unilaterally propose and draft a planning obligation in respect of land which they own or control. This does not preclude the Council from requiring a further obligation to address issues that are not covered by the unilateral agreement. The Council welcome the preparation of unilateral agreements where they meet the requirements of Circular 3/2012, however we encourage early engagement with the Council regarding its' contents.

Which Payment Option Should be Used?

10.9 The developer contribution payment options and the likely requirement for entering into a planning obligation will be influenced by the scale of the development proposed and the amount of contribution required.

10.10 Developments of less than four homes (including single houses):

- Detailed planning applications and Planning Permission In Principle (PPIP) applications are encouraged to making an up front payment.

41 Including any homes subject to a temporary occupation certificate.

- Alternatively, if desired, a planning obligation can be entered into, however, the Council still requires developer contributions to be **paid in full prior to the commencement of development**. Phased payments will therefore not usually be agreed by the Council due to the significant discounts which are available for small scale housing developments, making up front payments more manageable. This also limits the administrative burden associated with securing payments on a phased basis.
- For land that is sold with the benefit of PPIP, the purchaser / developer can either choose to prepare and submit either:
 - a Matters Specified in Condition (MSC) application. No developer contributions would be required at the MSC stage providing that no planning obligation is attached to the PPIP and the proposed development fully accords with the development description and conditions of the PPIP; or
 - a fresh detailed planning application, however, the developer contribution requirements will be re-assessed against the most up to date provisions of the LDP, taking account of any developer contribution payments received for the development site in question to date. **This could result in new developer contribution costs which may not have been covered by the original PPIP.**

10.11 Developments of four or more homes and non-residential applications:

- The Council are open to securing developer contributions on a phased basis.
- If a planning obligation is required for any detailed application, the Council will determine the total amount of developer contributions due for the development as a whole. For residential developments the rate per house and rate per flat will be calculated and then multiplied by the number of properties proposed. This combined total will then be equally divided by the number of homes proposed, resulting in **one fixed developer contribution rate per home**. Phased contributions will therefore be payable based on the number of home completions with the amount due not varying by which specific house or flat built out.
- If a planning obligation is required for any PPIP application, the precise mix of house and flat types is not usually available and it is therefore not possible to accurately determine an up front payment amount. As such, **PPIP applications of this nature are likely to require a planning obligation**. Such planning obligations will set out the developer contribution rates on a per house and per flat basis, with these figures informing a combined fixed developer contribution rate per home which will be finalised once the mix of property types are set out at the subsequent MSC application stage. Phased contributions will then be payable based on the number of home completions.

10 Payments and Administration

10.12 Re-worked / Re-Mix Applications:

- Any planning permission which is not capable of being implemented may require a fresh planning application to be submitted. Following the receipt of any such application, the Council will re-assess the developer contribution requirements against the most up to date provisions of the LDP. **This could result in new or increased developer contributions.** In assessing the need for revised developer contributions, the Council will always take into consideration any developer contribution payments received for the development site in question to date.
- In the event that the mix of proposed property types change during the build of site, the developer contribution requirements and amount payable per property will be re-calculated / re-averaged based on:
 - property completions to date;
 - contributions received to date; and
 - the remaining balance of properties still to be build out.

Refunds

10.13 Where a contribution has been secured by a planning obligation and payment has been made, developers will be able to reclaim any money not invested in the infrastructure it was required for after expiry of the following time periods from the date of the **last payment** to the Council:

- Affordable housing commuted payments: 5 years.
- All other types of infrastructure:
 - Major Developments (50 or more homes) - 15 years
 - Local Developments (1 to 49 homes) - 20 years

10.14 Developers must request a refund within six months of these time periods expiring. The Council will then return the relevant unspent contributions with interest calculated by the Council to have accrued within three months of an agreed request. Details of contributions, planning obligations and other legal agreements are stored in a dedicated computer system and updated regularly. Income and expenditure is monitored and reported to committee as and when required.

Indexation

10.15 With the exception of affordable housing benchmark values, affordable housing commuted payments and new school land costs, all other contributions will be index linked to the Building Cost Information Service All-in Tender Price Index (BCIS All-in TPI) published by the Royal Institute of Chartered Surveyors. Contributions will be index linked from the base dates specified for each type of infrastructure in this guidance. All rates set out in existing Development Briefs are also subject to indexation using the BCIS All-in TPI. All costs quoted in this guidance reflect **Q2 2018** using the June 2018 published indices.

Contact Us

Email: devplans@highland.gov.uk

Telephone: 01349 886608

Address: Development Plans Team
Development & Infrastructure
Service,
The Highland Council,
Glenurquhart Road,
Inverness,
IV3 5NX

Pàipear-taice 1 – Geàrr-Riathanasan Measadh Ion-obrachais

Proposed Scheme Details

- Floor areas:
 - Commercial: gross floor area (GFA) and net internal area (NIA)
 - Residential: GFA and NIA
- Residential unit numbers and habitable bedrooms, including the split between private and affordable tenures

Gross Development Value (GDV)

- Any existing income that will continue to be received over the development period
- Anticipated residential sales values and ground rents (and supporting evidence including deductions for incentives)
- Anticipated rental values and supporting evidence
- Yields for the commercial elements of the scheme and supporting evidence
- Details of likely incentives, rent-free periods, voids
- Anticipated sales rates (per month)
- Anticipated grant funding for affordable housing
- Anticipated value of affordable homes (with supporting evidence/explanation of how these have been valued and assumptions)
- Deductions from commercial GDV to reach NDC (Land and Buildings Transaction Tax, agents, legal + VAT).

Costs

- Expected build cost (if required, a full QS cost report also showing how costs have been estimated)
- Demolition costs
- Historic costs (as reasonable and appropriate)

Appendix 1 Viability Assessment Outline Requirements

- Site preparation costs
- Vacant possession costs
- Planning costs
- Construction timescales, programme and phasing
- Any anticipated abnormal costs
- Rights of light payments / party walls / over sailing rights
- Details of expected funding and finance rates
- Professional fees, including:
 - Architect
 - quantity surveyor
 - structural engineer
 - mechanical/electrical engineer
 - project manager
 - letting agent fee
 - letting legal fee
 - Independent Viability Assessment fee / District Valuer Service verification fee
- Site Value
- Other costs

Additional Details for Projection Based Viability Assessments

- Expected sales growth
- Expected rental growth
- Expected cost inflation
- Credit rate

Appendix 1 Viability Assessment Outline Requirements

Development Programme

- Pre-build
- Construction period
- Marketing period
- Viability cashflow
- Income/value/capital receipt
- Costs
- Phasing (where appropriate)

Benchmark Viability Proxies

- Profit on cost
- Profit on value
- Development yield
- Internal rate of return (IRR)

Planning Application Details

- Plans/sections/elevations (as relevant)
- Design and access statement

Sensitivity Analysis

- Two way sensitivity analysis
- Scenario analysis
- Simulation analysis

Accompanying Report (Basic Outline)

- Executive summary
- Contents outline
- Introduction and background
- Description of site location
- Planning policy context
- Description of scheme
- Market information summary
- Build cost and programme
- Methodology and approach
- Outputs and results
- Sensitivity analysis
- Concluding statement

Pàipear-taice 2 – Dòigh-obrach Measaidh Sgoiltean

School Capacities

2.1 The Council monitors and assesses the cumulative impact of housing growth on the education estate through undertaking School Roll Forecasts (SRFs) which are published annually in Autumn. The SRFs present the most up to date information on current and future school capacities for over the next 15 years. The [SRFs](#)⁽⁴²⁾ are available online.

2.2 The SRFs take account of:

- Current school capacity.
- Actual school enrolment figures from the September roll census.
- Future primary one intake based on birth data and projected birth rates.
- New housing build out rates which are based on developers estimates for sites allocated in the LDP (collated as part of the Council's annual Housing Land Audit) and an assessment of likely windfall development based on historic rates, the economic conditions and any policy changes.

2.3 Importantly, the SRFs are a snapshot in time and can change significantly from year to year based on planning permissions and construction activity. Although a proportion of development plan allocated housing and mixed use sites (which contain an element of housing) are accounted for in the SRFs, a significant number of allocated sites do not contribute to the SRFs figures. This is because a number of development plan allocated sites are not progressed for a number of years due to various phasing, infrastructure and delivery issues. For these reasons, housing planning applications on allocated sites or windfall sites for **10 or more homes will be assessed by re-running the SRFs** to take account of the proposed development, existing SRFs commitments and any significant housing planning permissions / minded to grant decisions post the SRFs' publication. Any housing planning applications for less than 10 homes will be assessed against the SRFs as published.

2.4 Contributions are required where a school is operating, or is forecast to be operating at or above **90% capacity** following completion of the proposed development and other extant planning permissions. At and above this level, efficient operation of the school is significantly compromised. It is highly unlikely that a school can operate at its maximum physical capacity given that the level of pupil numbers vary in each year group. To allow for year to year fluctuations, contributions are required where the school capacity threshold is anticipated to be at or above 90% capacity for **five of the 15 years forecast**. These five or more years

42 <https://www.highland.gov.uk/schoolrollforecasts>

do not require to be consecutive and for developments / site allocations which are predicted to be built out beyond the 15 year forecast period, this trigger point will be disregarded as such proposals require to be assessed on a case by case basis.

- 2.5** In some cases the school capacity 90% trigger point will have already been reached with the base numbers in the forecast. Therefore contributions are required from all additional pupils arising from development. In other cases the number of pupils that can be accommodated in the school, without reaching this trigger point will be calculated. Then, **the number of additional pupils over the trigger point** will be calculated, with these additional pupil numbers informing the contributions required. Thereafter, development is assessed against Table A.2.1 which sets out the school capacity interventions required and the associated trigger points. Note that in order to adequately scale the size of the school intervention required, where the 50 pupil threshold is breached, new school rates apply to every additional pupil over the 90% school capacity threshold. The new school equivalent rate also applies where a large scale extension of more than two classrooms is required.

Table A.2.1 - School Capacity Mitigation Measures

School Requirements	Forecast No. Pupils (Above 90% of the School's Capacity)
1 Classroom Modular Extension	1 to 25
2 Classroom Modular Extension	26 to 50
Major Extension / New School	Over 50

- 2.6 The areas where new or extended school provision is likely to be required are listed in the LDP Delivery Programmes which will be used to determine planning applications.** The LDP Delivery Programmes will be updated and refined on an annual basis to respond to emerging school pressures and solutions.
- 2.7** To prevent the subdivision of larger sites or landholdings, where an application is made for less than the relevant thresholds set out in Table A.2.1, developers are required to provide contributions proportionate to the size of development which the site or landholding would be expected to accommodate. This will be informed by the indicative housing capacity for allocated sites and the existing settlement pattern for windfall sites. In cases of subdivision, the Council will seek revised contributions taking account of any previous development across the landholding or site.

Appendix 2 Schools Assessment Methodology

Pupil Product Ratio

2.8 Table A.2.2 sets out the number of school age children which are anticipated to be generated per residential home, referred to as the Pupil Product Ratio (PPR).

Table A.2.2 - Pupil Product Ratio

	Home	Flat (2 Bedroom)
Primary	0.30	0.17
Secondary	0.13	0.07

2.9 An audit of recent and established developments has proven these PPRs to be accurate and reliable and a background paper: [School Pupil Product Ratio Review](#)⁽⁴³⁾ was published online alongside the SRFs. These per home PPRs have informed the latest SRFs which distribute pupils evenly across each year group.

2.10 The audit revealed that two bedroom flats had reduced PPR. If no two bedroom flat rate was provided, such properties would be subject to the standard home rate. This is considered to be disproportionate to the number of pupils expected to be generated from these flats and therefore, based on their actual PPR, a discount of circa 43% for primary and 46% for secondary schools apply. Flats are defined as properties with vertical division of occupancy.

2.11 In calculating contributions any adjustment to the PPR will only be considered in exceptional circumstances, for example where it can be demonstrated that there is a high prevailing rate of second home ownership. In such instances, the PPRs to be applied on a catchment wide basis should not be altered but instead, consideration should be given to applying a proportionate reduction to the total number of homes proposed to be developed when re-running SRFs.

School Catchments

2.12 The need for education contributions will be determined through the assessment of existing and forecast individual primary and secondary school capacities based on existing school catchments. There is however also a need to look at the school estate in totality, as a constraint within one school catchment area can, on occasions, be resolved by either the creation of a new school elsewhere or the expansion of a nearby school.

2.13 For example, the 2017/18 SRFs indicate that three of the five secondary schools in Inverness are already experiencing capacity issues with school rolls at or in excess of 90% capacity and four of the five secondary schools forecast to go over 100% capacity by 2032/33. To address this cumulative pressure, a new secondary school is forecast to be required which would

43 http://www.highland.gov.uk/download/downloads/id/18829/school_pupil_product_ratio_review_september_2017.pdf

result in secondary school catchments being re-drawn to balance out pressures across the school estate. Several developments across Inverness would therefore directly benefit from this investment.

- 2.14** There are also considerable primary school roll pressures across Inverness and elsewhere in Highland. Several new primary schools and new catchments are therefore needed to enable the continued growth of the region.

Re-Drawn Catchments and School Completions (For New and Extended Schools)

- 2.15** Where new schools or extension to existing schools result in the need for new or re-drawn school catchments, developments both within the new / extended school's catchment, as well as anywhere within the neighbouring re-drawn and reduced neighbouring school catchments, require to contribute towards the cost of the new / extended school. The extent to which neighbouring catchments are affected will be dependent upon the likely school draw and factors such as geography, physical barriers and prevailing pupil placing requests.
- 2.16** Details of recently completed new / extended schools where retrospective contributions are required are reported in the LDP Delivery Programmes. Contributions are required where front funding was carried out to facilitate the planned impact of development. Contributions are required towards these school investments until the level of Council upfront funding, proportionate to the scale of new housing development, has been recovered.

School Costs

- 2.17** The rates per home are based on recovering proportionate school infrastructure costs for providing permanent extensions or new schools. One and two classroom permanent modular extension costs are based on December 2008 construction cost estimates which have been index linked to account for inflation. Major extension / new primary school costs are based on undertaking analysis of a sample of other planning authorities rates which average at £24,530 per primary school pupil. Major extension / new secondary school costs are based on the recent redevelopment cost for the Inverness Royal Academy (£39,375,000). This school has capacity for 1,470 pupils which equates to a cost of £26,785 per secondary school pupil. Taking the school cost per pupil costs, multiplied by the development's relevant PPRs provides the cost per home / flat.

New School Land Costs

- 2.18** Land costs must also be factored into the final calculation of developer contributions. In all cases developers will be expected to safeguard and make available the land agreed with the Council for school provision. It is proposed that the cost of land acquisition for education be spread across the relevant catchment in the same way as the cost of the school facilities will be. In so doing, no particular landowner or developer should be disproportionately disadvantaged by the school site being required on his/her land.

Appendix 2 Schools Assessment Methodology

- 2.19** The area of land required to accommodate a new two stream primary school with a 434 pupil capacity is three hectares.
- 2.20** For a new secondary school with a 1,470 pupil capacity, the area of land required is six hectares.
- 2.21** Where new school sites have already been secured by the Council and land costs are therefore already known, these actual cost will be used to calculate proportionate developer contributions. In all other areas, the prevailing estimated land costs will apply. Where land values are disputed, external advice may be sought to undertake a review of land values. This independent third party advisor would be appointed by the Council.

Pàipear-taice 3 – Riatanasan Coitcheann Còmhdhalach

3.1 Examples of transport mitigation measures which are considered during the assessment of developments are outlined within this appendix together with indicative costs. This is not an exhaustive list but provides a starting point for undertaking site appraisals. For housing developments, most transport mitigation measures are not influenced by household size and contributions are therefore based on actual mitigation costs.

Travel Plans

3.2 Travel Plans contain a package of measures aimed at promoting sustainable travel choices and can be a cost effective way of limiting or avoiding the adverse impacts of developments on existing transport networks. Their effectiveness in limiting such adverse impacts is not however guaranteed and regular reviews and monitoring are required to understand and, where necessary, make improvements to them. As part of developing a Travel Plan, the Council will expect the Plan to include contingency mitigation measures, should the Travel Plan fail to deliver some or all of its' anticipated benefits. These contingency measures require to be costed and prior to the development coming into operation, the developer is expected to provide the Council with a financial guarantee to secure their delivery. As a direct result of the annual Travel Plan Monitoring Reports to be produced by the Developer, the Council will either draw down or release some or all of the financial guarantee to the developer. The mitigation measures, associated costs and the mechanisms for their use or release will be agreed when a Travel Plan is being assessed by the Council.

Active Travel

Walking / Cycling and Active Travel Masterplans

3.3 Developers are required to provide safe routes for cyclists and walkers in accordance with Designing Streets standards for access and permeability. Developers must also consider each site within the context of the wider walking / cycling network with developers being expected to fund the provision or enhancement of external links to enable the successful integration of development. A study area of 5km beyond the boundary of the development site (a typical cycle commute distance) should be considered with developers utilising Active Travel Masterplans which have been produced by the Council for a number of settlements in Highland. All developments are expected to have due regard to the delivery of the Active Travel Masterplans and where a development is situated in close proximity to, or interacts with, an identified walking / cycling network deficiency or opportunity for improvement, contributions may be required where mitigation is necessary to establish active travel patterns to and from the development site.

3.4 The standards required for all walking / cycling route improvements and associated infrastructure such as cycle parking⁽⁴⁴⁾ is set out within the Council's [Roads and Transport Guidelines for New Development](#). This includes provision for residents, visitors and staff,

44 https://www.highland.gov.uk/info/20005/roads_and_pavements/99/roads_information/2

Appendix 3 Standard Transport Requirements

including suitable changing facilities. Typical cycle parking approximate costs are £190 per cycle parking stand (Sheffield standard), £500 per cycle locker and £3,530 for a covered cycle shelter.

Outdoor Access - Path Networks

3.5 All developments are required to contribute towards links to the path network where direct developer provision on and/or off-site is not possible. The path network in Highland comprises a combination of Core Paths, Public Rights of Way, Long Distance Trails and other paths and tracks. Developments are normally required to retain the existing path network or provide adequate alternative access and where appropriate, provide links to the wider path network. The criteria for assessing whether contributions are required is as follows:

- Developments which incorporate new / enhanced access opportunities linked to the path network do not require any financial contribution providing that the measures proposed are appropriate and agreed with the Council.
- Where a developer proposes limited new paths linking to the path network and such connections are required by the Council, a financial contribution may be sought towards their provision.

3.6 The level of contributions sought are up to £302,880 per km of path. The cost per km is based on the provision of the Council's standard specification for the provision of a three metre wide shared surface kerbed, bitmac path, with the appropriate level of drainage, signposts, lighting and waymarkers taking account of the level of provision across a number of communities. Development which requires temporary or permanent diversions to Core Paths or Public Rights of Way also require to pay for those diversions and upgrades.

Safer Routes to Schools, Road Safety Measures and 20mph Zones

3.7 Residential developments of five or more homes and education developments are required to provide safe routes to schools through measures including dropped kerbs, crossing points, speed cushions, central refuges and exclusive cycle/pedestrian paths, as well as making contributions towards mapping of routes, cycle training and walking bus initiatives. Developer contributions may also be required for on and off-site traffic calming measures such as shared space schemes in accordance with the principles set out in Designing Streets. Where developments are accessed through existing residential area, developers may be required to contribute towards the introduction of 20mph zones. The cost of mitigation measures vary depending upon the degree of mitigation required, however, a typical road hump or set of cushions cost approximately £1,260 per feature and are usually required at 75m intervals and an entrance treatment for a 20mph zone costs approximately £2,270.

Appendix 3 Standard Transport Requirements

Public Realm and Wayfinding

- 3.8** Public realm improvements are to be delivered on-site and in the immediate vicinity of the development to the Council's specification. This requires to include all pavements in and adjacent to application site red line boundary. For off-site resurfacing public realm works, any commuted sum will be calculated based on the streetscape works previously carried out for Church Street, Inverness equating to around £560 per sqm (sum based on index linking the £440 per sqm quoted in the [21 Jan 2014 South Planning Applications Committee Report](#) ⁽⁴⁵⁾ for 92-94 Academy Street, planning permission reference 13/03720/FUL). In future, the Council may revise this methodology to take account of the amount of additional floorspace to be created with further consideration given to the trip rates associated with upper floor uses, in comparison to ground floor uses. Once prepared, this information will be subject to appropriate consultation being undertaken.
- 3.9** In addition, where a costed public realm scheme has been established which delivers benefits to a wider area, development in this wider area may be required to make developer contributions towards the delivery of the scheme. Such schemes will be identified in the LDP Delivery Programmes and approved by committee.
- 3.10** Public realm contributions for off-site works will typically be used in the immediate vicinity of the footprint of the development. However, if the development falls within a public realm scheme for the wider area, contributions may be used towards the delivery of that scheme.
- 3.11** A [Draft Wayfinding Strategy for Inverness City Centre](#) ⁽⁴⁶⁾ is also in preparation. Commercial and footfall generating developments in Inverness City Centre are expected to help implement this strategy. Whilst still in preparation, initial proposals involve the creation of new signposting, including around 10 wayfinding monoliths with an overall expected project cost of around £250,000. Contributions may be sought where developments will benefit from the new signposting proposed.

Public Transport

Bus Services and Facilities

- 3.12** In order to ensure that development can be adequately accessed and serviced by a suitable level of public transport and that existing services are not adversely impacted by the development, developers may be required to provide or fund public transport services and infrastructure. This may include, but are not limited to:
- Bus services: provision for typically three years but longer (five or more years) for larger developments and may include:
 - route extensions;

45 https://www.highland.gov.uk/meetings/meeting/968/south_planning_applications_committee

46 http://consult.highland.gov.uk/portal/dp/wayfinding/wayfinding_1

Appendix 3 Standard Transport Requirements

- frequency enhancements;
 - increased capacity (i.e. larger buses);
 - new routes / lanes / bus-only sections of road or priority traffic signals; and
 - demand-responsive services.
- Park and ride schemes.
 - Rail infrastructure / station parking.

3.13 Such requirements usually relate to all major residential or commercial developments and contributions are dependent on the extent and nature of arrangements required to address the impact of development. New and upgraded public transport facilities may also be required in order to deal with increased demand arising from all scales of development. This includes provision / upgrades of bus stops / bus shelters. New bus shelters cost around £5,050 - £6,560 each. Real Time Information Systems may also be required at a cost of around £5,050 per bus stop display, plus £300 per annum for five years of maintenance per site. HITRANS can advise on the necessary display locations and requirements.

School Transport

3.14 The Council has a statutory duty to provide school transport from a pupil's home if they are:

- Under eight years old and live more than two miles from their catchment area primary school; or
- Over eight years old and live more than three miles from their catchment area primary school or secondary school.

3.15 To maintain existing levels of school transport provision, developments of **four or more homes** to be located **in excess of three miles** from the catchment area primary school or secondary school may require to contribute towards school transport and/or school transport hub provision. Proposals **within three miles** may also need to contribute to school bus transport provision where sites and their associated routes to schools have inadequate walking or cycling provision.

3.16 The Council requires contributions towards safer walking/cycling routes, whether they may be to school, or to a transport hub (if school transport is to be provided). In both cases, contributions are to improve safety and reduce reliance on private car journeys. School transport hubs avoid the need to provide school transport on safety grounds and usually comprise a bus service bay, shelter with cycle parking and a limited number of car parking spaces for the drop off / collection of school children.

Roads

Road Improvements

- 3.17** A key priority in the assessment of any development proposal is to ensure that sufficient infrastructure is in place to accommodate the development. All developments will be assessed based on the capacity and condition of the existing road network. Twin tracking the road network is considered to be the most effective way to cater for modern day traffic, improve road safety and future-proof the road as a local asset. Single track road improvements are not considered a viable, long-term option to deliver a fit-for purpose road network due to the volume and type of traffic now using the road network. Proposals which accelerate or contribute towards the Council's programme of priority road network improvements will be considered favourably. Such projects are anticipated to be set out within any emerging Cumulative Transport Contribution zones or Development Briefs.
- 3.18** Development which significantly accelerates wear and tear on the network will be expected to contribute proportionately towards its ongoing upkeep. Wear and Tear Agreements, as well as routing agreements, are typically required for major developments which place significant pressure on the road network. Before, during and after monitoring surveys may be required.
- 3.19** Other improvements which may require contributions include the provision of or upgrading private accesses / roads (including edge widening of single track roads), passing places, bridges, footways, traffic management, improving vehicle flows and other drop off / pick up provision.
- 3.20** **For small scale developments, including single house proposals, where a private access or single track road it to be utilised, the development is expected to provide a service bay at the site access junction.** As set out within the [Access to Single Houses and Small Housing Development guidance](#)⁽⁴⁷⁾ the provision of a service bay is usually conditioned prior to the commencement of development and further mitigation, such as the provision of an additional passing place, may be required to overcome road capacity or safety constraints.
- 3.21** Alterations to existing roads (including those required to alter an existing private road into an adoptable public road) that are required as part of a development will normally be undertaken as part of the development construction and progressed as part of a Section 56 Consent or a Roads Construction Consent application. The developer will be required to undertake all road improvement works to the Roads Authorities specification. As a last resort, contributions may be required to enable the Council to undertake local road improvements to mitigate the impact of development.

47 https://www.highland.gov.uk/directory_record/712043/access_to_housing_developments

Appendix 3 Standard Transport Requirements

Parking

3.22 Parking standards for different types of development are set out in the [Roads and Transportation Guidelines for New Development](#)⁽⁴⁸⁾. Nearby off-site provision may also be acceptable. Finally, and as a last resort to help facilitate development, where the Council's parking standards cannot be achieved, reduced levels of parking may be acceptable for developments located centrally within the Settlement Development Areas (SDAs) set out in Table A.3.1. The acceptability or otherwise of any proposed reduction in parking provision within these areas remains at the Council's discretion. This will be considered where a developer provides an up front commuted sum in lieu of on-site parking provision towards mitigating the transport impacts of the development. A contribution (in part or full) may not however be necessary in every instance and this will be dependent upon the transportation impacts of the development. All proposals will therefore be assessed on a case by case basis and it remains the Council's decision to determine:

1. The locations where on-site parking is required;
2. The instances when alternative off-site parking may be acceptable;
3. When a parking commuted sum would provide suitable mitigation; and
4. The contribution amount per parking space shortfall in lieu of on-site provision. For Inverness City Centre, committee agreed a financial contribution of £3,490 per space shortfall⁽⁴⁹⁾. This amount may be applicable in other areas, however, this requires to be informed by a robust appraisal.

3.23 In order to inform this assessment, **development proposals which do not meet the Council's parking standards must be accompanied by a Parking Appraisal**. This must be provided by the developer at the planning application stage and requires to include a review of the site's accessibility by public transport, walking and cycling.

3.24 Contributions received in lieu of parking provision may be used towards the following transport infrastructure in the vicinity of the site or elsewhere in the SDA:

- **signage and information:** signage relating to parking availability / online traffic information / directional signage to car parks;
- **supporting sustainable travel:** public transport / walking / cycling parking and infrastructure / wayfinding / public realm / electric vehicle charging / car clubs;

48 https://www.highland.gov.uk/info/20005/roads_and_pavements/99/roads_information/2

49 Inverness City Centre Parking Report and Draft Action Plan, 3 December 2015 PDI Committee, page 23.

Appendix 3 Standard Transport Requirements

- **car parks:** CCTV / spaces / motorcycle parking / access improvements / smart metres; and/or
- **traffic management:** deliveries / public transport priority measures / traffic incident information.

Table A.3.1 - SDA Parking Contributions

Inner Moray Firth	West Highland and Islands	Caithness and Sutherland	Cairngorms National Park
<ul style="list-style-type: none"> • Dingwall • Invergordon • Inverness (City Centre) • Nairn • Tain 	<ul style="list-style-type: none"> • Fort William • Kyle of Lochalsh • Mallaig • Portree • Ullapool 	<ul style="list-style-type: none"> • Dornoch • Thurso • Wick 	<ul style="list-style-type: none"> • Aviemore

Electric Vehicle Charging

3.25 HITRANS are developing an E-Vehicle Charging Strategy and developers should expect to contribute towards the delivery of this strategy through the provision of e-vehicle parking spaces and charging point infrastructure. In the interim, all developments are **strongly encouraged** to consider present and emerging E-vehicle charging needs.

3.26 As a minimum, the **Council expects** that ducting / connections from homes and other buildings to parking spaces is provided to allow charging equipment to be installed in the future. For developments which involve Scottish Planning Policy (SPP)'s Parking Restraint Policy – National Maximum Parking Standards for New Development (Annex B), the Council **requires** such developments to provide no less than two E-Vehicle parking spaces with associated charging infrastructure. The location of these spaces requires to be agreed with the Council.

Traffic Signals

3.27 Developers may be required to provide new traffic signals, controlled pedestrian crossings and the upgrading/refurbishment of existing traffic signal infrastructure. Cost vary depending on the degree of works required. For example, a standalone pedestrian crossing could cost around £37,360 whereas signalling a four arm junction could cost around £181,730.

Appendix 3 Standard Transport Requirements

Lighting

3.28 Development requiring new or improved roads will be expected to fund the installation of new or improved street lighting infrastructure in accordance with the Council's policy for Street Lighting. Contributions towards new or improved safety and/or traffic sign-related lighting may also be required. In rural areas, street lighting will be assessed on a case-by-case basis.

Road Traffic Orders

3.29 Where Road Traffic Orders are required in order to facilitate development, the developer will be required to pay for the infrastructure to support the Order. This may include bollards, road markings and signage. The developer is also required to fund the costs associated with undertaking the works.

Pàipear-taice 4 – Eisimpleirean Obraichte

The following illustrative worked examples (A-D) demonstrate how this guidance may be applied. Developer contributions will vary based on the unique circumstances of the proposed development and the indicative costs set out within these examples should not be relied upon in isolation. They provide hypothetical scenarios to demonstrate a range of possible contribution requirements and how these might be calculated. This is not intended to be exhaustive and developers are encouraged to use the [pre-application advice service](#)⁽⁵⁰⁾ to obtain site specific advice.

50 https://www.highland.gov.uk/info/205/planning_-_policies_advice_and_service_levels/785/planning_advice_-_pre-application_advice

Appendix 4 Worked Examples

Example A - Indicative Development - Single House (Urban Area - Inverness)

Summary of Developer Contributions		
Infrastructure / Service Type	Answer	Contribution Rate (per house)
Schools - Primary - Build Costs	Major Extension / New School	£7,359
Schools - Primary - Land Costs	Smithton, Inverness (New School at Inverness East)	£1,840
Schools - Secondary - Build Costs	Major extension / new school	£3,482
Schools - Secondary - Land Costs	Culloden Academy (New School at Inverness East)	£871
Cumulative Transport Contributions	Inverness East – Development Brief Area	£2,683
Sub-Total		£16,235
<i>Single House Discount (80% applied to schools & cumulative transport contributions only)</i>		- £12,988
Sub-Total		£3,247
Community Facilities	-	-
Affordable Housing	-	-
Standard Transport Requirements	Extended Footpath	£758
Green Infrastructure	-	-
Water and Waste	-	-
Public Art	-	-
Total		£4,005
All costs are subject to indexation and reflect Q2 2018		

Example A - Calculation Breakdown

- Schools - Primary:** The Primary School has a capacity of 349 pupils and the School Roll Forecasts (SRFs) indicate that the school roll is currently at 317 pupils. The school is already over 90% capacity with the roll forecast to continually rise peaking at 148 pupils over the school's 90% capacity threshold by 2032/33. A contribution towards a major extension / new primary school is therefore required, plus associated land costs. In this worked example a hypothetical land cost at around 25% of the major extension / new school build rate has been applied. Actual land costs on a school catchment area basis are however available via the Council's [LDP Delivery Programmes](https://www.highland.gov.uk/info/178/local_and_statutory_development_plans/809/delivery_programmes) ⁽⁵¹⁾.

51 https://www.highland.gov.uk/info/178/local_and_statutory_development_plans/809/delivery_programmes

- **Schools - Secondary:** The Secondary School has a capacity of 968 pupils and the SRFs indicate that the school roll is currently at 1,019 pupils. The school is already over 90% capacity with the roll forecast to continually rise peaking at 519 pupils over the school's 90% capacity threshold by 2032/33. A contribution towards a major extension / new secondary school is therefore required, plus associated land costs.
- **Cumulative Transport Contributions:** As the development falls within the Inverness East Development Brief area, a contribution is required towards East Link and Inshes Corridor at £2,734 at Q4 2017.
- **Small Scale Development Site Discount:** Whilst the site falls within a Development Brief area, the development is still eligible for a discount on the basis that the land does not form part of a larger site allocation, no other houses have received planning permission on the associated landholding since March 2013 and there is limited prospect for the development of further houses on the landholding.
- **Community Facilities:** N/A - below contribution threshold of four or more homes.
- **Affordable Housing:** As the original land holding has not been sub-divided, there is no requirement for a single house development to contribute at present.
- **Standard Transport Requirements:** In this example adequate provision is in place with the exception of footpath provision where an additional 2.5 metre section of a 3 metre wide path is required to connect the development to the existing network. Path costs are £302,880 per km / £303 per metre x 2.5m = £758.
- **Green Infrastructure:** In this example the development includes a setback from existing mature trees on-site and thereby protects the green network. There is no requirement for a single house development to provide open space.
- **Water and Waste:** In this example there are no flooding or water drainage issues and a connection to the public sewer is proposed.
- **Public Art:** In this example the development is not on a prominent site and therefore public art is not required.

Appendix 4 Worked Examples

Example B - Indicative Development - Single House (Rural Area)

Summary of Developer Contributions		
Infrastructure / Service Type	Answer	Contribution Rate (per house)
Schools - Primary - Build Costs	2 Classroom Extension	£2,041
Schools - Primary - Land Costs	-	-
Schools - Secondary - Build Costs	No Capacity Constraints	-
Schools - Secondary - Land Costs	-	-
Cumulative Transport Contributions	-	-
Sub-Total		£2,041
<i>Single House Discount (80% applied to schools & cumulative transport contributions only)</i>		- £1,633
Sub-Total		£408
Community Facilities	-	-
Affordable Housing	-	-
Standard Transport Requirements	-	-
Green Infrastructure	-	-
Water and Waste	-	-
Public Art	-	-
Total		£408
All costs are subject to indexation and reflect Q2 2018		

Example B - Calculation Breakdown

- **Schools - Primary:** In this case, the Primary School has a capacity of 188 pupils and the SRFs indicate that the school roll is currently at 169 pupils. The school is already at 90% capacity with the roll forecast to continually rise peaking at 49 pupils over the school's 90% capacity threshold by 2032/33. A contribution towards a two classroom school extension is therefore required.
- **Schools - Secondary:** The secondary school has a capacity of 360 pupils and a current roll of 200 pupils. The roll is forecast to marginally increase with the school remaining 100 pupils under capacity. As the school is forecast to remain under 90% of its capacity, no secondary school contributions would be required.
- **Cumulative Transport Contributions:** Whilst these apply to all types of development, this hypothetical example falls out with any identified contribution zone or Development Brief area.
- **Small Scale Development Site Discount:** The development is eligible for a discount on the basis that the land does not form part of a larger site allocation, no other houses have received planning permission on the associated landholding since March 2013 and there is limited prospect for the development of further houses on the landholding.
- **Community Facilities:** N/A - below contribution threshold of four or more homes.
- **Affordable Housing:** There is no requirement for a single house development to contribute at present.
- **Standard Transport Requirements:** In this example adequate provision can be made on land within the developers control and contributions are not necessary.
- **Green Infrastructure:** In this example the development includes a setback from an existing watercourse and associated mature vegetation on-site, thereby protects the green network. There is no requirement for a single house development to provide open space.
- **Water and Waste:** In this example flood risk areas have been avoided, a septic tank is proposed and the site drainage measures proposed include a suitable maintenance and repair regime.
- **Public Art:** In this example the development is not on a prominent site and therefore public art is not required.

Appendix 4 Worked Examples

Example C - Indicative Development - Development of 80 Homes (Large Settlement - Allocated Site)

This hypothetical example comprises a 60 house and 20 Flats (2 bedroom) development on an allocated LDP site.

Summary of Developer Contributions			
Infrastructure / Service Type	Answer	Contribution Rate (per house)	Contribution Rate (per flat)
Schools - Primary - Build Costs	Major Extension / New School	£7,359	£4,171
Schools - Primary - Land Costs	-	-	-
Schools - Secondary - Build Costs	No Capacity Constraints	-	-
Schools - Secondary - Land Costs	-	-	-
Cumulative Transport Contributions	-	-	
<i>Small scale development discount (applied to schools & cumulative transport contributions only)</i>	N/A	-	-
Community Facilities	Sports Centre	£1,019	
Sub-Total Per Home		£8,378	£5,190
Development Sub-Total	60 x Houses and 20 x Flats	£502,680	£103,800
Affordable Housing	25% - On-site Provision	-	
Standard Transport Requirements	Pedestrian Crossing and Bus Shelter	£42,410	
Green Infrastructure	-	-	
Water and Waste	Recycling Point and Glass Banks	£1,510	
Public Art	On-site Provision	-	
Development Total		£650,400	
Total Per Home		£8,130	
All costs are subject to indexation and reflect Q2 2018			

Example C - Calculation Breakdown

- Schools - Primary:** In this example the development is already accounted for in the SRFs. The Primary School has a capacity of 230 pupils and the SRFs indicate that the school roll is currently at 200 pupils. The school is currently at 87% capacity with the roll forecast to continually rise with the school reaching 90% capacity in 2023/24 and the roll peaking at 75 pupils over the school's 90% capacity threshold by 2032/33. As the school is forecast to be at or above 90% capacity for five or more years forecast, and the

roll peaks at over 50 pupils above the school's 90% capacity threshold, a major extension or new school is required. In this case, there is scope and adequate land for a major extension and therefore no additional land costs would apply.

- **Schools - Secondary:** Again in this example the development is already accounted for in the SRFs. The secondary school has a capacity of 600 pupils and a current roll of 450 pupils. The roll is forecast to marginally increase with the school remaining 100 pupils under capacity. As the school is forecast to remain under 90% of its capacity, no secondary school contributions would be required.
- **Cumulative Transport Contributions:** Whilst these apply to all types of development, this hypothetical example falls out with any identified contribution zone or Development Brief area.
- **Small Scale Development Site Discount:** This scale of development is not eligible for a discount. The necessity for any contribution variations sought by the developer require to be demonstrated through the provision of a development Viability Assessment.
- **Community Facilities:** The need for a new sports centre is identified in the LDP Delivery Programme and residential developments in the settlement require to contribute towards its provision.
- **Affordable Housing:** There is a requirement for the delivery of 25% affordable housing in this area. In this example, 20 affordable flats are to be provided on-site. 15% of these affordable homes require to be wheelchair liveable. In this case this equates to 3 homes which could be provided at the ground floor level of the proposed flats.
- **Standard Transport Requirements:** In this example, adequate provision is being made on-site, however, contributions are required for the provision of a new pedestrian crossing. This costs around £37,360 and is required for safer routes to schools. A new bus shelter is also required at £5,050 with this cost reflecting favorable ground conditions.
- **Green Infrastructure:** In this example the development is setback from important habitat areas across the site, thereby protects the green network and sufficient open space is provided which includes a play area.
- **Water and Waste:** In this example there are no flood risk issues and the developer is proposing a connection to the public sewer. The SuDS proposed are also to be constructed by the developer to a standard that will allow for future vesting (adoption) by Scottish Water. The development is considered to significantly expand the settlement and is not served by an existing recycling point within 1km. Onsite recycle point provision is therefore required together with a contribution of £1,510 for glass banks.
- **Public Art:** In this example the development is on a prominent site and therefore public art has been incorporated into the overall design and layout of the development.

Appendix 4 Worked Examples

Example D - Indicative Development - Food Retail Development (Urban Area - Mixed Use Allocated Site)

4.1 This hypothetical example comprises the development of a food retail development with a GFA of 2,000 sqm and 20 parking spaces on the edge of a Town Centre.

Summary of Contributions	
Infrastructure	Contribution
Cumulative Transport Contributions	-
Standard Transport Requirements	£TBC - informed by site specific Transport Assessment
Green Infrastructure	-
Water and Waste	On-site provision + £1,510 for glass banks
Public Art	On-site provision
Total	£TBC
All costs are subject to indexation and reflect Q2 2018	

Example D - Calculation Breakdown

- **Cumulative Transport Contributions:** Whilst these apply to all types of development, this hypothetical example falls out with any identified contribution zone or Development Brief area.
- **Standard Transport Requirements:** Contributions require to be informed by a Transport Assessment which will help define site specific mitigation measures. A Travel Plan is likely to be required together with a Parking Appraisal to demonstrate why parking standards cannot be achieved and to determine if contributions in lieu of provision may be appropriate.
- **Green Infrastructure:** In this example the development is setback from important habitat areas and structural landscaping is provided to enhance both pedestrian and habitat connections along the edge of the site.
- **Water and Waste:** In this example there are no flood risk issues and the developer is proposing a connection to the public sewer. The SuDS proposed are also to be constructed by the developer to a standard that will allow for future vesting (adoption) by Scottish Water. The development is not however served by an existing recycling point within 1km. Onsite recycle point provision is therefore required together with a contribution of £1,510 for glass banks.
- **Public Art:** In this example the development is on a prominent site and therefore public art has been incorporated into the overall design and layout of the development.



**The Highland
Council
Comhairle na
Gàidhealtachd**
