



EAST AYRSHIRE COUNCIL

# **Local Development Plan 2**

## Developer Contributions

Supplementary Guidance

2024



## **East Ayrshire Local Development Plan 2**

### **SUPPLEMENTARY GUIDANCE**

### **DEVELOPER CONTRIBUTIONS**



**OCTOBER 2024**

## 1. Introduction

- 1.1 This supplementary guidance (SG) sets out the basis for a comprehensive, consistent and transparent approach to implementing the Council's developer contributions policy relating to all development as set out in the East Ayrshire LDP2. The SG forms part of East Ayrshire LDP2, supporting Policy INF4: Developer Contributions.

### Purpose

- 1.2 The purpose of this SG is to set out the methodology employed in calculating the level of developer contribution which may be required as a result of new development. It provides detailed guidance to landowners, developers and others involved in the planning process as to when and where developer contributions are likely to be required and identifies a number of known projects towards which contributions will be directed. It also assists those involved in the planning process in terms of the formulation, consideration and costing of contributions associated with development proposals.
- 1.3 The planning system seeks to ensure that all new developments are sensitively designed and have minimum environmental and amenity impacts. In line with the infrastructure first principle, where development proposals have additional impacts on existing infrastructure or facilities that would necessitate new facilities or exacerbate deficiencies in existing provision, the Council will require the developer to meet or contribute to the cost of providing or improving such infrastructure or facilities.
- 1.4 The requirement for developers to make contributions in the form of financial payments or non-financial contributions will not be used by the Council as a reason to approve a residential, retail or commercial leisure development proposal that contravenes planning policy and/or is unacceptable on planning grounds. However, where a development is acceptable, developer contributions can provide a valuable mechanism to directly fund or contribute funding towards the provision or improvement of necessary associated infrastructure or facilities.
- 1.5 The Council expects all Council officials and Elected Members to observe the highest ethical standards when carrying out its business. It accordingly undertakes to treat all developers fairly and will ensure that all negotiations between Council officials and developers will be treated with confidence. Table 1 summarises the types of development which may trigger the need for contributions. This is not an exhaustive list.

Development Type	Education Services & Facilities	Healthcare Services & Facilities	Community Facilities	Public Realm	Transport Infrastructure
Residential	All	4 or more dwellings	4 or more dwellings	4 or more dwellings	4 or more dwellings
Business	No			TBD on a case by case basis	TBD on a case by case basis and linked to Transport Assessment associated with planning application
Industrial					
Retail					
Other					

Table 1. Infrastructure Requirement

## Legal Context

- 1.6 In line with Planning Circular 3/2012: Planning Obligations and Good Neighbour Agreements, Local Authorities may use agreements under Section 75 of the Town & Country Planning (Scotland) Act 1997 to offset the impact of new development.
- 1.7 The use of an agreement under Section 75 of the Town & Country Planning (Scotland) Act 1997 (hereinafter referred to as the 'Section 75 Agreement') to help deliver necessary infrastructure and facilities is considered a legitimate planning objective by the Scottish Government. However, Section 75 Agreements should only be sought where they are required to make a proposal acceptable in land use planning terms and where the use of a planning condition, including a suspensive condition, is not appropriate.
- 1.8 Conditions, including suspensive conditions, should be used wherever possible. The criteria upon which a Section 75 Agreement should be based are that the agreement should:
- Be necessary to make the proposed development acceptable in planning terms;
  - Serve a planning purpose;
  - Have a relationship to the proposed development;
  - Be related in scale and kind to the proposed development; and
  - Be reasonable in all other respects.
- 1.9 It is acknowledged that Section 75 Agreements can at times cause delays in the planning process and place an additional financial burden on developers. In light of this, the use of agreement under Section 69 of the Local Government (Scotland) Act 1973 may also be utilised by the Council to achieve contributions towards provision of necessary infrastructure and facilities. Section 69 of the Local Government (Scotland) Act 1973 states that:
- '(1)...a local authority shall have power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.'**
- 1.10 This provision provides the Council with a general power to enter into an Agreement with developers to achieve the above contributions. This type of Agreement does not have to be limited in its purpose to the restriction or regulation of the development or use of the land subject to the planning application and could also include the payment of money. Further, in cases where there are no other issues requiring the need for a Section 75 or 69 Agreement other than those relating to developer contributions, the Council may consider accepting the payment of the appropriate contributions prior to the release of the planning consent.

## Policy Context

- 1.11 This supplementary guidance has been prepared within the context of the following:
- Circular 3/2012: Planning Obligations and Good Neighbour Agreements;
  - National Planning Framework 4 (NPF4); and
  - East Ayrshire Local Development Plan 2 (EALDP2)



- 1.12 Circular 3/2012 sets out the circumstances in which planning obligations and good neighbour agreements can be used and how they can be concluded efficiently.
- 1.13 NPF4 states that local developments should indicate the type, level and location of contributions (financial or in kind) that development will be required to make. NPF4 recognises that planning obligations have a key role to play in mitigating the impacts of development and ensuring proposals are acceptable in planning terms. Where the relevant tests are met, this can include contributions to, or provision of, infrastructure.
- 1.15 EALDP2 Policy INF4: Developer Contributions states that where a development will have additional impacts on infrastructure, services, facilities and amenities that would necessitate new facilities or exacerbate deficiencies in existing provision, the Council will require the developer to meet or contribute to the cost of providing or improving such infrastructure, facilities or services. This could include off-site environmental or other enhancements where issues cannot be addressed within the development site. Contributions will relate to the development concerned, including in nature, scale and kind. Where contributions cannot be secured by planning conditions or other appropriate means, the Council will expect developers to complete a Section 75 obligation or other legal agreement.

## 2. How to Interpret this Guidance

- 2.1. This guidance is used in the determination of all planning applications (including single houses) where the implications for services and infrastructure can be established. It applies to all undetermined planning applications at the point of the document's adoption. **The financial implications of this guidance should be factored into development appraisal prior to land deals and commercial decisions being taken.**
- 2.2. 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.
- 2.3. 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.

## Planning Application Process

- 2.4. **The requirement for a developer to make appropriate developer contributions will be treated as a material planning consideration in the assessment and determination of planning applications.** Developer contributions have a limited, but useful, role to play in the development management process where they can be used to overcome obstacles to the grant of planning permission. The Council will ensure that all developer contributions have a

planning purpose and are proportionate in scale and kind to the development proposed and, accordingly, many projects identified for implementation may not require to be fully funded by the developer; additional funding being obtained or generated from either the Council or other funding sources.

- 2.5. In order to provide transparency, standardised charges and formulae form the framework for calculations; Policy INF4 sets out the key requirements for facilities and likely infrastructure as applicable which development is required to contribute to proportionally. However, it is not possible to stipulate all the likely impacts of development at this stage because it is likely that applications will be submitted which do not fall within designated land allocations.
- 2.6. To ensure that the scope of contributions are known from the outset, the Council Planning Service encourages early engagement by all developers and offers a [pre-application advice service](#). This service is offered for all scales of development and provides comprehensive, reliable and up to date advice. Early collaborative discussions will ensure that the correct information has been provided to support an application.
- 2.7. To enable accurate contribution estimates to be provided, **the following information is required:**
  - o **Residential** – Number of dwellings
  - o **Residential** - Number of bedrooms per dwelling
  - o **Residential** - Affordable and open market housing split
  - o **Residential** - Any accommodation which is not likely to result in permanent residential occupancy or accommodate resident school aged children (see paragraph 3.19)
  - o **Business/Industrial/Retail/Other** - Approximate gross floor space and number of parking spaces proposed and information on additional vehicle movements/transport assessment/transport statement.
  - o **Phasing** - The projected build out rate/year of first completions on-site and intended phasing thereafter
  - o **Infrastructure** - Any infrastructure proposed to be provided on-site.
- 2.8. In the event that this level of information is still to be finalised, an estimated calculation can be provided at pre-application stage, based on the estimated scale/size of development. Developers that have used the pre-application advice service can receive further contribution advice upon request to inform a planning application submission, when detailed proposals have been produced.
- 2.9. 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.

Stage in Process		Action(s) Required
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

Stage in Process		Action(s) Required
		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 upfront payment or enter a legal agreement to pay later. The contribution rates will be agreed at this point providing the application receives a minded to grant decision and an upfront payment/legal agreement is concluded within four months.

Table 2. Process for Determining and Securing Contributions

## Standard Sized Residential Unit (SSRU)

- 2.10. Developer contributions will be sought on a per-residential unit equivalent (unless otherwise stated). A three bedroomed residential unit will be taken as a 'standard sized residential unit' (SSRU) and dwellings with larger or smaller units (i.e. more or fewer bedrooms) will therefore provide a proportionally greater or lesser contribution. The figures below show how the contribution is calculated:

Size of residential unit	1 bed	2 bed	3 bed	4 bed	5 bed	6+ bed
Contribution proportion	0.6/60%	0.8/80%	1.0/100%	1.2/120%	1.4/140%	1.6/160%

Table 3. Standard Sized Residential Unit

- 2.11. Where a planning permission in principle application is received and the precise mix of units is not available then the initial assessment will be based on 1 SSRU (3 bed unit) for each of the units proposed. However, this standard position may be altered where there is justification based on the mix of units in recent nearby developments.

## Exemptions

- 2.12. Contributions will not be sought in instances where the scale of development is not considered sufficient to justify a requirement or where the development is for affordable housing purposes where provision is by East Ayrshire Council, a Registered Social Landlord or for the affordable housing element sought under RES2: Affordable Housing, of a private development. Where applicable, these exemptions are set out in more detail within each section of this guidance.

## Development Viability

- 2.13. Where it can be demonstrated that paying the full contribution would make the development unviable, prospective developers may be permitted to negotiate a reduced contribution. In such cases, the prospective developer will be required to submit a full development appraisal, including costs, to the Council for consideration in this regard and, for verification purposes, the Council may seek an assessment of the submitted appraisal from the District Valuer or other mutually agreed financial advisor independent of both parties.

- 2.14. Appendix 1 of this guidance provides detail on what level of information may be required in the development appraisal and how this will be assessed by the Council. In addition to developers being able to negotiate reduced contributions, the Council also provides flexible methods of developer contribution payments. Consequently, developers, depending on the particular circumstances of their proposed development, may be able to enter into an agreement with the Council in order to arrange for the payment of developer contributions at a later stage in the development process. This flexibility reflects the current state of the economy; although there is more economic stability than in previous years, there still remains some uncertainty and accordingly these provisions will continue to apply if required.
- 2.15. Notwithstanding the above provisions and exemptions, all developers will be required to meet all costs directly related to their developments e.g. road infrastructure improvements, water and waste infrastructure costs, open space requirements etc. Whilst the requirements of this supplementary guidance could also form a part of a Section 75 Agreement, these requirements are separate from the direct infrastructure costs and open space requirements mentioned above.

### 3. Education Services & Facilities (LDP2 Policy INF4)

- 3.1. School capacity is a high priority for the Council and is required to support intended population and housing growth. In taking an infrastructure first approach, it must be ensured that there is sufficient educational infrastructure to support any new residential development.
- 3.2. Where it is determined that there will be insufficient capacity at primary and/or secondary schools within a school catchment area to accommodate children from proposed new residential developments, developer contributions will be sought to offset any impacts on school capacity. This will apply to schools that are operating, **or projected to be operating, at or above 90%** of total capacity at the end of the 5 year LEMP (Learning Estate Management Plan) period, based on the cumulative impact of extant planning permissions and LDP2 allocations. The capacity of schools will be reviewed on a regular basis to ensure that the Council has accurate data to determine whether developer contributions are required. When a school exceeds 90% capacity, the day to day operation of the school becomes compromised to a degree that the quality of education offered is unacceptably impacted.
- 3.3. Developments are assessed with regard to their impact on the school estate using the School Roll Forecasts (SRF). This is based upon the existing and forecast school infrastructure capacity and the ability to accommodate pupils generated by development. SRF incorporates house building projections, linked to LDP2 delivery.
- 3.4. Occupancy levels within ASN schools continue to see growth and whilst provision is made on the needs of the child(ren) and not on location/catchment area, the potential impact on existing establishments across the authority would have to be considered on a case-by-case basis.
- 3.5. Whilst there are no formal catchment areas for Early Childhood Centres (ECC) and parents are free to choose the establishment that best meets family circumstances, in general children will attend their local ECC. As a result of the current and potential future expansion of early learning and childcare it is likely that additional facilities would be required for residential development. New primary school build costs often incorporate an element of early



learning/early childhood centre (ECC) provision. In all other areas, where there are no new primary school requirements, early learning/early childhood centre (ECC) provision will be assessed on a case by case basis.

- 3.6. In the rare circumstances where such mitigation cannot be achieved in a manner which is consistent with the Council's education policies, the proposed development will not be supported.

## Primary and Secondary Schools

- 3.7. The methodology for the calculation of developer contributions for schools is outlined below and described in more detail in Appendix 2. The formula which determines the contribution rate per residential unit is based on actual costs incurred in recent capital (education) projects in East Ayrshire, adjusted for BCIS All-in-TPI indexation to Quarter 4 2023. The formula, in terms of the number of anticipated new units in catchments will be informed by the rate at which the Council anticipates LDP2 development opportunity sites to be built out and the latest agreed Housing Land Audit which will take into account any windfall sites. The calculation is as follows:

**All residential development (excluding affordable homes)** is required to contribute towards new school infrastructure where insufficient capacity is identified. The constituent parts of the calculation including costs are detailed in Appendix 2. The **standard contribution rate (per residential unit)** is calculated as follows:

### Assessment of School Capacity in Catchment

Theoretical number of pupils above 90% threshold anticipated in school catchment at the end of the 5 year LEMP period	X	Cost per pupil (£)	=	Total estimated cost of intervention required
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The total cost of intervention is then divided by the number of anticipated new residential units in a school catchment over the capacity threshold to produce the cost for each proposed unit according to the planned number of bedrooms within that dwelling.

### Cost per Unit by Catchment

Total estimated cost of intervention required	/	Number of anticipated new units in catchment as a result of LDP2, HLA and any known windfall	) =	Contribution rate for SSRU (Standard sized residential unit)
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The SSRU will then be used to calculate the actual contribution.

**Where relevant, the contribution will be index linked to point of payment.**

Worked examples setting out the calculation process in full can be seen in Appendix 4.

**Cost per pupil will be adjusted for BCIS All-in-TPI indexation with a base date of Quarter 4 2023.**

- 3.8. 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.
- 3.9. The calculation above produces a standard contribution rate with different costs related to the different sectors. However, contribution rates are dependent upon a variety of factors including site size/constraints/adaptability of assets etc. and may differ dependent upon site-specific circumstances. It has been reported widely that the space standards noted above are extremely challenging when designing smaller schools, consequently, requirements will in all instances be discussed with the Council's Education service on a case by case basis.
- 3.10. Associated land costs may also be required in locations where permanent extensions cannot be accommodated on existing school grounds. These requirements will also be discussed with the Council's Education service and determined on a case by case basis.
- 3.11. In larger developments, where the development as a whole or as a part of the master planned area generates the need for a new school the developer will be required to provide an appropriate sized area of land for the school, for example, 2.2 hectares for a primary school (based on a 600 pupil capacity). This figure is based on a provision of a modern school and associated facilities such as playing fields and SUDS. The land provided should be an appropriate shape, reasonably flat, accessible, transferred at nil cost to the Council, and serviced at the developer's expense. Other developments generating pupils that are zoned to the new school will then be required to provide a proportionate contribution towards the land value element, that the Council has front funded, in addition to the contribution to building costs. A per pupil rate for the land value element will be based on the total land value cost which will require an independent valuation to be undertaken and paid for by the developer.

## Use of School Contributions

- 3.12. School contributions will typically be invested within the catchment area of the relevant school. 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 and

is on the condition that any spend of developer contributions mitigates the impact of the development for which the contribution was originally sought.

## Small-Scale Housing Site Discount

- 3.13. Small scale residential developments (including self-build plots) of one, two or three homes will receive a discount on contributions towards education services and facilities to reflect economies of scale and the need to maintain development viability. Table 3 details the applicable discounted rates per home. For example, a single house developer pays 20% of the contribution rates for schools/ECC. Appendix 4 provides further indicative worked examples.

Number of Houses	1	2	3
Discounted developer contribution rate for Education Services & Facilities	0.2/20%	0.25/25%	0.3/30%

*Table 3: Small Scale Housing Site discount*

- 3.14. These discounted 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 land allocated for housing purposes in the LDP; or
3. Where additional home(s) are added to a wider housing site that already has planning permission.

- 3.15. 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.

- 3.16. Where an application is made for fewer 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.

## Exemptions

- 3.17. The following types of development are exempt from school and ECC contributions:

- **Affordable homes** - Where the tenure of the development mitigates against the provision of developer contributions. This applies to developments that are exclusively affordable in nature, the developer is a Registered Social Landlord (RSL), and the affordable housing element sought under policy RES2: Affordable Housing, of a private development.
- **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. All other forms of tourist accommodation which are 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 (HMOs)** - With occupancy restrictions, secured by title or planning condition.

**3.18. Developers seeking an exemption should discuss this with the Council at the earliest possible opportunity.**

## 4. Transport Infrastructure (LDP2 Policy INF4)

**4.1.** New development is likely to have an impact on local and strategic transport infrastructure and/or services and mitigation measures might be required to address any impacts. Therefore, where impacts requiring mitigation have been clearly identified, prospective developers will be required to make an appropriate contribution towards local transport infrastructure and/or services related to that development, to ensure that the required facilities/infrastructure provision is in place in time to mitigate the impacts of the development.

**All development** will be assessed in terms of its impact on the transport network. The prospective developer will be required to meet the full costs of providing the necessary infrastructure and services needed to serve their individual development(s).

If applicable the developer will be required to undertake mitigation measures to ensure there is no adverse impact on the transport network as a direct result of their development or arising from the cumulative impact of development in the area. Any cumulative impact will be met by the developer through an appropriate contribution, on a proportionate basis, towards transportation interventions as required. This might include the requirement to make an appropriate contribution towards mitigation measures on the wider transportation network, in particular active travel provision and public transport to enable trips to be made by active and sustainable modes of travel. Other mitigation measures might include the signalisation of a roundabout, improvements to traffic signals at specific locations or improvements to public transport facilities and active travel links to these facilities. An appropriate contribution will be assessed using the trip rates that a development will generate at specific locations. This information should be set out in a Transport Assessment or Statement (approved by the Ayrshire Roads Alliance) and will be assessed against the LDP2 Transport Appraisal anticipated trip rates at LDP2 build out. The standard contribution rate will be calculated as follows:

<b>Trip rate generated</b>	<b>/</b>	<b>LDP2 TA trip rate</b>	<b>X</b>	<b>Relevant mitigation cost</b>	<b>=</b>	<b>Contribution rate</b>
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Each planning application will be assessed on its own merits.

**It is imperative that developers fully assess all impacts of development on transport infrastructure through a Transport Assessment or Transport Statement and ensure that appropriate mitigation measures are fully investigated. Developers are encouraged to engage with the Ayrshire Roads Alliance (ARA), and where appropriate Transport Scotland as early as possible in the development process to highlight these impacts and demonstrate that they have been fully investigated.**

Where relevant, the contribution will be index linked to point of payment.

4.2. Whilst it is not possible to stipulate all sites where developer contributions are likely to be required at the time of this guidance being prepared, the LDP2 Transport Appraisal has indicated where mitigation measures are likely to be required as a result of future development as identified in the Plan. Therefore, developments in the following areas are likely to trigger the requirement for contributions:

- North and West Kilmarnock
- Bellfield Interchange and Kaimshill and Kirklandside
- Stewarton (Stewarton Cross)
- Mauchline (Mauchline Cross)

4.3 The following indicative costs, as set out in the LDP2 transport appraisal, highlight the indicative costs required to mitigate known impacts on certain transport infrastructure as a result of the development of LDP development opportunity sites:

Infrastructure Location	Mitigation Requirements	Total Cost (indicative)
Moorfield	Proposed segregated left turn slips x2 at the Moorfield Roundabout.	1,100,000
Mauchline Cross	Upgrade of traffic lights at Mauchline Cross	30,000
Stewarton Cross	Upgrade of traffic lights at Stewarton Cross	30,000

#### Bellfield Interchange

4.4 The Transport Appraisal for the Plan concludes that without intervention the Plan will place additional, unacceptable pressure on Bellfield Interchange as it exists at present.

4.5 There is likely to be a cumulative impact on the transport infrastructure, including road infrastructure, and active travel networks at Bellfield Interchange and the area east of the Interchange, as a result of the development of multiple sites. The Council will therefore, in line with policy **Error! Reference source not found.** Developer Contributions and associated supplementary guidance collect financial contributions in relation to improvements to the Bellfield Interchange and the area to the east of Bellfield Interchange to offset any impact on the transport infrastructure to be affected. The Plan specifies the following improvements:

- Improvements to transport infrastructure related to the Bellfield Interchange including measures to improve road safety and enhance traffic flow;
- Active travel improvements to the east of Bellfield Interchange
- Improvements to the road infrastructure to ensure a safer space for road users, pedestrians and cyclists.
- The creation of an improved and better connected active travel network at the Interchange and the surrounding areas



- 4.6 In addition to the mitigation costs set out in the Transport Appraisal, Transport Scotland have provided the original as-built drawing for the interchange, and this identified a service trench which will require significant strengthening due to the reduced deck thickness. The indicative costs associated with the mitigation works to the Bellfield Interchange have therefore been re-calculated. The overall project value is now **£14-15 million**.

## Cumulative Impact of Development on the Wider Transport Network

- 4.7 Development of a number of sites will have an effect on the operational performance of the transport network. When these sites are considered together this may require different mitigation measures than when considered individually. Anticipated cumulative impacts have been identified as part of the LDP2 Transport Appraisal which has modelled key junctions in the trunk road network and has identified mitigation measures to address any anticipated impacts. The Transport Appraisal has also taken cognisance of the needs of pedestrians and cyclists as the National Transport Strategy 2 seeks to ensure that public transport and active travel options are the preferred choice for people making short journeys and that the sustainable travel hierarchy is at the fore of new development.

## Exemptions

- 4.8 The following types of development are exempt from transport infrastructure contributions:
- **Affordable homes** - Where the tenure of the development mitigates against the provision of developer contributions. This applies to developments that are exclusively affordable in nature, the developer is a Registered Social Landlord (RSL), and the affordable housing element sought under RES2: Affordable Housing, of a private development.

## 5. Healthcare Services & Facilities (LDP2 Policy INF4)

- 5.1. Health care is an important factor when considering the sustainability of a new development, both in terms of access to facilities and sustaining health and wellbeing. Primary care services are typically the first point of contact for people using the healthcare system. General Medical Services (GMS), Dental Services and Community Pharmacies are the most common primary care services found throughout the Council area. They are based in the community within a range of settings including local health centres or privately leased or owned premises. NHS Ayrshire & Arran is responsible for the provision of all NHS primary care across the Council area.
- 5.2. Where it is considered that a proposed new development is likely to have an impact on the provision of healthcare services and facilities, developer contributions will be sought to mitigate any impacts. Scottish Health Planning Notes provide national guidance on standards and specification for healthcare facilities.

## General Medical Services

**Developments of four or more homes** require to contribute towards the enhancement or creation of general medical services in areas where the capacity of existing facilities will be exceeded as a result of the development.

### General Medical Services

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

The Scottish Health Planning Notes identify a floorspace requirement per GP of 271 per m<sup>2</sup>, with each GP capable of accommodating a maximum of 1500 patients. Primary healthcare provision now also includes a number of Community Health Partnership (CHP) facilities located within the same facility. Additional floorspace therefore might be required for such facilities in particular settlements and this will be assessed on a case by case basis.

The total project cost is based on information provided within the Quality & Efficiency document produced by Scottish Futures Trust ([Quality Efficiency Primary Health Care 2013.pdf](http://Quality_Efficiency_Primary_Health_Care_2013.pdf) ([scottishfuturestrust.org.uk](http://scottishfuturestrust.org.uk)), which has been index linked to the relevant quarter. The Build Cost per m<sup>2</sup> is then multiplied by floor area, patients per GP, and the average household size which results in the relevant contribution.

Contributions are £1,732.28 per residential unit (SRUE\*) for permanent accommodation and £1,018.99 per residential unit (SRUE) for internal reconfiguration at the point of publication. These costs will be index linked from q4 2013 to point of payment.

Appendix 3 sets out how the floorspace requirements and contributions have been calculated.

**The contribution will apply to NHS practices or those providing services to the NHS.**

\*SRUE is Standard residential unit equivalent based on NHS figures detailed in Appendix 3.

- 5.3. On larger residential development sites, where development as a whole or part of a masterplan generates a requirement for healthcare facilities there may be a need to provide these on-site. Similar to education facilities, a proportional land value contribution will also be required. This shall be in the form of flat serviced land or a financial contribution. The provision of land shall be incorporated into the level of healthcare contribution generated by the proposed development. The market value of the land shall be based upon its use as a site for a healthcare facility only.
- 5.4. On larger residential development sites there might also be a requirement for an interim solution to be provided to ensure the residents can access a Healthcare Facility at the early stages of the development.

## Dental Practices

**Developments of four or more homes** require to contribute towards the enhancement or creation of dental practices in areas where the capacity of existing facilities will be exceeded as a result of the development.

### Dental Practices

The recommended number of patients of 4,500 per dental chair. Based on a 2 chair Dental Practice a floor space of 276 per m<sup>2</sup> is required.

Contributions will be sought where the capacity of existing facilities is exceeded as a result of the proposed development and will be directed towards healthcare facilities serving the residents from the development. Contributions may be sought for a new build facility, permanent extension or reconfiguration of internal space to provide additional capacity.

Contributions are £588.08 per home (SRUE) for permanent accommodation and £345.93 per home (SRUE) for internal reconfiguration (figures will be index linked from Q2 2022).

Appendix 3 sets out how the floorspace requirements and contributions have been calculated.

**The contribution will apply to those practices providing services to the NHS.**

**The contribution will be index linked to point of payment.**

- 5.5. On larger residential development sites, where development as a whole or part of a masterplan generates a requirement for healthcare facilities there may be a need to provide these on-site. Similar to education facilities, a proportional land value contribution will also be required. This may be in the form of serviced land at nil value cost or a financial contribution.

## Community Pharmacies

**Developments of four or more homes** require to contribute towards the enhancement or creation of community pharmacies in areas where the capacity of existing facilities will be exceeded as a result of the development.

### Community Pharmacies

The recommended number of patients is 4,000 per Community Pharmacy. To meet the needs of today's patients it is recommended that a minimum floor space requirement for a new pharmacy of 183 patients per m<sup>2</sup> is required.

Contributions will be sought where the capacity of existing facilities is exceeded as a result of the proposed development and will be directed towards healthcare facilities serving the residents from the development. Contributions may also be sought for a new build facility, permanent extension or reconfiguration of internal space to provide additional capacity.

Contributions are £438.66 per home (SRUE) for permanent accommodation and £258.04 per home (SRUE) for internal reconfiguration (figures will be index linked from q2 2022).

Appendix 3 sets out how the floorspace requirements and contributions have been calculated.

**The contribution will apply to those pharmacies providing services to the NHS.**

**The contribution will be index linked to point of payment.**

## Exemptions

- 5.6 The following types of development are exempt from Healthcare Services & Facilities contributions:

- **Affordable homes** - Where the tenure of the development mitigates against the provision of developer contributions. This applies to developments that are exclusively affordable in nature, the developer is a Registered Social Landlord (RSL), and the affordable housing element sought under RES2: Affordable Housing, of a private development.

## 6. Community Facilities (LDP2 Policy INF4)

- 6.1 Where it is considered that a proposed new development is likely to have an impact on a place, in terms of its community spaces and facilities, developer contributions will be sought to mitigate any impacts.

**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 and outdoor facilities will be calculated on a case by case basis and the requirement for contributions will be informed by the priorities as set out in the East Ayrshire Leisure Facilities Strategy. These facilities may include community hubs/centres, libraries, sports pitches and pavilions.

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 settlement or rural area.

For large scale developments, the requirement for on or off-site community facility provision will be assessed on a case by case basis.

- 6.2 As guided by Circular 3/2012, contributions will not be used to resolve existing deficiencies in infrastructure provision or to the achievement of wider planning objectives which are not strictly necessary to allow permission to be granted for the particular development.
- 6.3 Allocated sites/areas where certain community facility contributions are required are set out within LDP Volume 2. The sites/areas with identified community facility needs *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.

### Provision within Schools

- 6.4 In areas subject to permanent extension and new build 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, but it may offset it: to this end need will not be double counted.**

### Use of Community Facility Contributions

- 6.5 Community facility contributions will be invested within the relevant settlement/rural 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

- 6.6 The following types of development are exempt from contributions towards community facilities:

- **Developments of fewer than four homes** – These developments 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).
- **Affordable homes** - Where the tenure of the development mitigates against the provision of developer contributions. This applies to developments that are exclusively affordable in nature, the developer is a Registered Social Landlord (RSL), and the affordable housing element sought under RES2: Affordable Housing, of a private development.

## 7. Public Realm (LDP2 Policy INF4)

- 7.1. Placemaking is the art of creating good places. NPF4 identifies six qualities of successful places which should form the basis of good placemaking and these principles are embedded in LDP2, particularly through the Urban Design and Placemaking chapter. The LDP2 Spatial Strategy also focuses on place by identifying spatial priorities for placemaking, i.e. areas where there is a particular need or opportunity for improvement, or where the social and economic impact of investment will be greatest. These areas include Stewarton, Kilmarnock town centre and South Central Kilmarnock.

### Environmental Improvements

- 7.2. Generally, development will deliver good placemaking through the design of the development itself, but sometimes, where development has wider regeneration objectives or mitigation of certain environmental impacts is needed, contributions to wider off-site environmental improvements may be sought. In some instances, mitigation or compensation of the impacts of development may involve the payment of contributions.

**Developments of four or more homes** require to contribute towards environmental improvements where it is considered that a proposed new development is likely to have an impact on a place, in terms of its public realm, developer contributions will be sought to mitigate any impacts. The requirement for such contributions will be determined on a case by case basis; contributions for off-site environmental improvements will in the same regard be calculated on a case by case basis.

Generally, these will relate to measures designed to improve the environment or strengthen the sense of place in the community affected by the development, such as blue green infrastructure improvements, habitat enhancement, biodiversity-rich planting schemes, woodland creation or public realm improvements. These may be identified through the LDP2 Delivery Programme and may have been established through consultation with the local community and elected members on the proposal.

In areas where a requirement to undertake environmental improvements has been identified, contributions will, if applicable be required for development within the settlement boundary within which the site is located. For those applications in the Rural Protection Area or Rural Diversification Area, a contribution will, if applicable, be required towards an improvement within the settlement boundary closest to the application site.



## 8. Payments & Administration

8.1. Contributions will be secured through:

- o Upfront payment;
- o Section 69 of the Local Government (Scotland) Act 1973;
- o Section 48 of the Roads (Scotland) Act 1984; or
- o Section 75 of the Town and Country Planning (Scotland) Act 1997

8.2. 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.

### Upfront Payment

8.3. **An upfront 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.**

8.4. 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 upfront payment in full to the Council, an invoice will be issued within 14 days and an upfront payment can then be made online. Once issued, an invoice must be paid within 14 days.

### Phased Payments

8.5. Where a planning obligation is entered into, developers may have the option to phase payments over the lifetime of a development. Contributions are index linked, accounting for the delivery of the site over the longer term. For developments of four or more homes phasing is usually linked to building standards completions data in blocks of units. Invoices are issued by the Council to request payment shortly after a threshold of units is reached (e.g. every 50 units).

8.6. 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 their contents.

### Which Payment Option Should be Used?

8.7. 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.

## Developments of Fewer than Four Homes

- 8.8. For developments of fewer than four homes (including single houses), detailed planning applications (PP) and Planning Permission In Principle (PPP) applications are encouraged to make an upfront payment.
- 8.9. 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 upfront payments more manageable. This also limits the administrative burden to both the Council and developer associated with securing payments on a phased basis.
- 8.10. For land that is sold with the benefit of PPP, the purchaser/developer can either choose to prepare and submit either:
- An Approval of Matters Specified in Condition (AMCPPP) application. No developer contributions would be required at the AMCPPP stage providing that no planning obligation is attached to the PPP and the proposed development fully accords with the development description and conditions of the PPP; or
  - A fresh detailed planning application (PP), 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 PPP.

## Developments of Four or More Homes

- 8.11. 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 unit will be calculated and then added together. 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 unit is built out. In addition, where relevant, the contribution will be index linked to point of payment.
- 8.12. If a planning obligation is required for any PPP application, the precise mix of unit types is not usually available and it is therefore not possible to accurately determine an upfront payment amount. As such, **PPP applications of this nature are likely to require a planning obligation**. Such planning obligations will set out the developer contribution rates on a per unit 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 AMCPPP application stage. Phased contributions will then be payable based on the number of home completions.

## Re-Worked/Re-Mix Applications

- 8.13. 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.

8.14. 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:

- o property completions to date;
- o contributions received to date; and
- o the remaining balance of properties still to be built out.

## Refunds

8.15. 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/service/facility within a specified time period. The time period will be dependent on the particular circumstances of a development and the requirement for the developer contributions. The Council will closely monitor developer contributions to ensure that payments are received timeously and spent appropriately.

## Appendix 1 - Viability Assessment Outline Requirements

### Proposed Scheme Details

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

### Gross Development Value

- 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)
- 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

## 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 Structure)

- 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

## Appendix 2 - Schools Assessment Methodology

### School Capacities

The Council monitors and assesses the cumulative impact of housing growth on the education estate through the production of the Learning Estate Management Programme (LEMP). The LEMP presents the most up to date information on current and future school capacities.

The LEMP takes 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. Whilst, the LEMP is a snapshot in time and can change from year-to-year based on implementation of planning permissions and construction activity, it does take account of best estimates of build out rates of allocated LDP2 sites, informed by past house building rates and projections contained in annual Housing Land Audits. Windfall sites that emerge will be plugged into the LEMP process when it is reviewed on an annual basis.

Subject to revision of catchment areas not proving feasible, contributions are required where a school is operating, or is forecast to be operating at or above **90% capacity**. At and above this level, efficient operation of the school is significantly compromised primarily for learning and teaching but also in terms of dining, toilet provision, social spaces and sport/leisure facilities. 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. Contributions are required where the school capacity threshold is anticipated to be at or above 90% capacity at the end of the 5 year LEMP (Learning Estate Management Plan) period, based on the cumulative impact of extant planning permissions and LDP2 allocations. The capacity of schools will be reviewed on a regular basis to ensure that the Council has accurate data to determine whether developer contributions are required.

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.

To prevent the subdivision of larger sites or landholdings, where an application is made for less than the 90% school capacity trigger point, 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.

### School Costs

Actual cost of recent and current school projects have been used to arrive at a cost per pupil. Whilst consideration has been given to using the metrics set out by the Scottish Futures Trust, it is

considered that the actual costs incurred in capital projects in East Ayrshire represents the most accurate costs on which to base contributions. These costs reflect, as far as is possible, the cost inflation that has occurred over recent years which has had a significant impact on capital projects in East Ayrshire, and indeed across Scotland.

	New build / refurbishment	Capacity improvement
Primary	£43,000	£54,400
Secondary	£35,500	£41,200
Additional support needs	£35,500	£41,200
Early Years	£55,500	£54,400

The costs are based on the following projects:

- Primary New Build / Refurbishment cost - based on Netherthird Primary School, completed February 2023 and St Sophias Primary School, contract awarded November 2023.
- Secondary and ASN New Build / Refurbishment cost - based on Barony Campus, completed October 2020.
- ECC New Build / Refurbishment cost - based on Dunlop ECC, contract awarded August 2022.
- Primary and ECC Capacity Improvement - based on Lainshaw Primary School, completed August 2016
- Secondary and ASN Capacity Improvement - based on Stewarton Academy, cost estimate prepared November 2023

For clarity:

- the costs take account of construction costs, professional fees, fit-out and other associated costs, but exclude land costs.
- All costs based on a common base of Q4 2023 using BCIS All-In-TPI. This baseline will be used to adjust the cost per pupil in the future using the BCIS All-in-TPI.
- Recent experience shows that the costs per pupil for re-build and refurbishment are comparable. This relates to refurbishment being undertaken to a high energy performance level (enerphit standard), in line with reducing energy use and carbon emissions, a key priority of national policy, as well as LDP2 and the Council's Climate Change strategy.
- The costs above are the standard costs that will be applied. In terms of ensuring contributions are fair and proportionate, if the costs involved in a particular project are less than the standard costs, this will be reflected in the contribution required.

## New School Land Costs

Where applicable, land costs must also be factored into the final calculation of developer contributions. This will only be required where new land needs to be secured; it may be that capacity issues can be resolved through developing on the existing school estate or through re-configuration. In some cases developers will be expected to safeguard and make available the land agreed with the Council for school provision. It is proposed that, where possible, 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.

The area of land required to accommodate a new two stream primary school with a **600** pupil capacity is **2.2ha**.

Where new school sites have already been secured by the Council and land costs are therefore already known, these actual costs 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, likely to be the District Valuer, would be appointed by the Council and costs of advice split equally between the developer and the Council.

## Pupil Product Ratio (PPR)

Table 6 below sets out the number of school age children which are anticipated to be generated per residential unit, referred to as the Pupil Product Ratio (PPR). The PPR has been divided between denominational and non-denominational schools according to Council research that indicates that the ratio of parental choice is 91% non-denominational schools and 9% for denominational schools.

School Type	Non-Denominational Ratio	Denominational Ratio
Primary School	0.33	0.03
Secondary School (excluding Stewarton Academy)	0.10	0.01
Stewarton Academy – see Note below	0.15	N/A

*Table 4: Pupil Product Ratio per Dwelling per School Type*

**Note:** A review of yield on a catchment by catchment basis is ongoing. Due to local circumstances and the findings of detailed analysis, the ratio for non-denominational secondary school in Stewarton (Stewarton Academy) will be set at 0.15.

These per home PPRs have informed the latest SEMP which distributes pupils evenly across each year group and have proven to be reasonable in East Ayrshire.

## School Catchments

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. However, there is also a requirement 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.

Where new schools or extensions to existing schools result in the need for re-drawn school catchment areas, 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 geography, physical barriers and prevailing pupil placing requests. Any proposed changes to school catchment areas would require a formal consultation in line with the terms of the Schools (Consultation) (Scotland) Act 2010, as amended.

In addition, new residential land allocations at the edges of settlements may trigger school catchment re-zoning. This is because, hitherto, the land has been in the rural area, not triggering and pupil numbers, and once built out it will be part of a settlement boundary and triggering the requirement

for school places. This is the case for example at Fardalehill West and at Altonhill which fall partially in non-Kilmarnock settlement school catchments.

Any changes to school catchment areas would require a formal consultation under the terms of the Schools (Consultation) (Scotland) Act 2010, as amended.

Details of recently completed new/extended schools where retrospective contributions are required are reported in the LDP Delivery Programme. 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.



Appendix 3 Health Assessment Methodology

The following calculations have been prepared in conjunction with NHS Ayrshire and Arran:

General Medical Services

GMS Services Calculation for Developers Obligations 2022 (based on 1 GP) base date Q2 2022 from which index linking will occur									
	Build Cost per sqm		Floor Area (sqm) 1 GP <sup>(3)</sup>		Patients per GP		Average household Size <sup>(6)</sup>		Contribution per SRUE
Permanent Accommodation (1)	£4,439.01	x	271	/	1,500	x	2.16	=	£1,732.28
Internal Reconfiguration (2)	£2,611.19	x	271	/	1,500	x	2.16	=	£1,018.99

The 271sqm floor area allowance for 1 GP has been taken from the NHS Scottish Health Planning Notes.

Dental Practices

Dental Calculation for Developers Obligations 2022 (based on 2 Chairs) base date Q2 2022 from which index linking will occur									
	Build Cost per sqm		Floor Area (sqm) 2 Chair <sup>(4)</sup>		Min Patients per 2 Chair Dental Practice		Average household Size <sup>(6)</sup>		Contribution per SRUE
Permanent Accommodation (1)	£4,439.01	x	276	/	4,500	x	2.16	=	£588.08
Internal Reconfiguration (2)	£2,611.19	x	276	/	4,500	x	2.16	=	£345.93

The 276sqm floor area allowance for 2 Dental Chairs has been taken from the NHS Scottish Health Planning Notes.

Community Pharmacies

Pharmacy Calculation for Developers Obligations 2022 base date Q2 2022 from which index linking will occur									
	Build Cost per sqm		Floor Area (sqm) <sup>(5)</sup>		Min Patients per Pharmacy		Average household Size <sup>(6)</sup>		Contribution per SRUE
Permanent Accommodation (1)	£4,439.01	x	183	/	4,000	x	2.16	=	£438.66
Internal Reconfiguration (2)	£2,611.19	x	183	/	4,000	x	2.16	=	£258.04

All total project costs are based on information taken from the Scottish Future’s Trust Quality and Efficiency document (2013) and have been updated to 2022.

Appendix 4 Worked Examples

The following illustrative worked examples 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 to obtain site specific advice. **The calculations for each contribution are as follows:**

**Example 1:** A residential development of 70 units (all 3 bedroom) is proposed in North Kilmarnock on an allocated LDP2 housing site. However, 25% of the total number of units will be affordable in nature and therefore developer contributions will not be collected for 18 of the 70 units. The required contributions, for 52 units are in relation to the need for capacity improvements to the primary school (non-denominational) within the relevant school catchment area and for the local General Medical Service to be reconfigured to accommodate new patients from the new development. .

For ease, the example is based on costs as at quarter 4 of 2023. If an application is made at a later point within the Plan period, the cost per pupil will be adjusted using the BCIS All-in-TPI, against the published index for Q4 2023 of 388.

For education this would be calculated as follows:

Primary School Calculation:

Theoretical number of pupils above 90% threshold anticipated in catchment at the end of the 5 year LEMP period	x	Cost per pupil (index linked)	=	Total estimated cost of intervention required
(example = 19 pupils)		(£54,400)		£1,033,600

Total estimated cost of intervention required	/	Number of anticipated new units in catchment as a result of LDP2, HLA and any known windfall	=	Contribution rate for standard SSRU (£)
(£1,033,600)		(498)		£2,075.50

Total Contribution = 52 units @ £2,075.50 per 3 bedroom residential unit = £107,926.10

Healthcare Calculation:

For Healthcare, the developer contributions to be collected would be calculated as follows:

Cost build per sqm x Floor area (per sqm) / patient ratio x average household size = Contribution per SRUE

£2,611.19 x 271 / 1500 x 2.16 = £1, 018.99

Contribution per SRUE x no of units = contribution rate

£1,018.99 x 52 = £52, 987.48

Total Calculation:

Education contribution rate + healthcare contribution rate = Total amount to be collected overall

£107,926.10 + £52, 987.48 = £160,913.58

**EXAMPLE 2:** A residential development of 200 units with a mix of 3 and 4 bedroom units is proposed in Cumnock (90 @ 43 bedroom units and 110 @ 4 bedroom units). There is no affordable housing requirement in the Cumnock sub Housing Market Area. **The required contribution is in relation to the need for a new general medical practice which would be calculated as follows:**

Cost build per sqm x Floor area (per sqm) / patient ratio x average household size = Contribution per SRUE

$£4,439.01 \times 271 / 1500 \times 2.16 = £1,732.28$

Contribution per SRUE x no of units = contribution rate

For 3 bedroom units:

$£1732.28 \times 90 = £155,905.20$

For 4 bedroom units at SSRU % of 120%:

(SSRU =  $£1732.28 \times 1.2 = 2078.74$ )

$£2,078.74 \times 110 = £228,661.40$

**Total contribution = 3 bedroom units (£155,905.20) + 4 bedroom units (£228,661.40) = £384,566.60**

**EXAMPLE 3:** A residential development of 3 units each consisting of four bedrooms is proposed in Knockentiber on a non-allocated LDP2 site (windfall). Affordable housing requirements do not apply in Dalmellington. **The required contribution is in relation to the need for an extension to the existing non-denominational primary school.** This development as well as other developments within the catchment area will have a cumulative impact on the local primary school which will result in the 90% capacity threshold being exceeded; however, this impact results in the need for increased capacity of the existing school. Overall, a total of 276 new units are anticipated in the primary school catchment and a total of 1123 new units are anticipated in the secondary school catchment. The contribution in relation to this particular development proposal would be calculated as follows:

For ease, the example is based on costs as at quarter 4 of 2023. If an application is made at a later point within the Plan period, the cost per pupil will be adjusted using the BCIS All-in-TPI, against the published index for Q4 2023 of 388.

Primary School calculation:

Theoretical number of pupils above 90% threshold anticipated in catchment at the end of the 5 year LEMP period	x	Cost per pupil (index linked)	=	Total estimated cost of intervention required
(example = 52 pupils)		(£54,400)		<b>£2,828,800</b>

Total estimated cost of intervention required	/	Number of anticipated new units in catchment as a result of LDP2, HLA and any known windfall	=	Contribution rate for standard SSRU (£)
(£2,828,800)		(276)		<b>£10,249.28</b>

Total Contribution for Primary School = 3 units @ £12,299.14 per 4-bedroom residential unit = £36,897.42.

However, In this instance, as the development is of a small-scale nature, the contribution is reduced to 30% of the calculated contribution (as per paragraph 3.18 above). **Therefore, the final contribution is: £11,069.22**

Secondary School calculation:

Theoretical number of pupils above 90% threshold anticipated in catchment at the end of the 5 year LEMP period	x	Cost per pupil (index linked)	=	Total estimated cost of intervention required
(example = 73 pupils)		(£41,200)		<b>£3,007,600</b>

Total estimated cost of intervention required	/	Number of anticipated new units in catchment as a result of LDP2, HLA and any known windfall	=	Contribution rate for standard SSRU (£)
(£3,007,600)		(1123)		<b>£2,678.18</b>

Total Contribution for Secondary School = 3 units @ £3,213.82 per 4-bedroom residential unit = £9,641.46.

However, In this instance, as the development is of a small-scale nature, the contribution is reduced to 30% of the calculated contribution (as per paragraph 3.18 above). **Therefore the final contribution is: £2,892.44**

Total Education Contribution Rate (primary + secondary) = £13,961.66

**EXAMPLE 4:** A residential development of 800 units consisting of a mix of 2, 3 and 4 bedroom units is proposed to the west of Kilmarnock (the site is a growth area as set out in the local development plan). However, 25% of the total number of units will be affordable in nature and therefore developer contributions will not be collected for 200 of the 800 units. The development will place additional pressures on the local non-denominational primary and secondary schools in the catchment area, the local general medical service and the local dental practice in the town. There are no other LDP2 sites within the primary school catchment.

Developer Contributions for Education Facilities

There is a need for a new non-denominational primary school school to accommodate the additional number of pupils and there is a need for capacity improvements to the local secondary school.

For ease, the example is based on costs as at quarter 4 of 2023. If an application is made at a later point within the Plan period, the cost per pupil will be adjusted using the BCIS All-in-TPI, against the published index for Q4 2023 of 388.

Primary School calculation:

Theoretical number of pupils above 90% threshold anticipated in catchment at the end of the 5 year LEMP period	x	Cost per pupil (index linked)	=	Total estimated cost of intervention required
(example = 213 pupils)		(£43,000)		£9,159,000

  

Total estimated cost of intervention required	/	Number of anticipated new units in catchment as a result of LDP2, HLA and any known windfall	=	Contribution rate for standard SSRU (£)
(£9,159,000)		(800)		£11,448.75

A mix of 2, 3 and 4 bedroom residential units (private) @ 600 units x SSRU:

**Total Contribution for Primary School = £8,869,250.**

Secondary School calculation:

The site is split between 2 secondary school catchment areas, however only School A is above 90% threshold.

School A calculation:

Theoretical number of pupils above 90% threshold anticipated in catchment at the end of the 5 year LEMP period	x	Cost per pupil (index linked)	=	Total estimated cost of intervention required
(example = 134 pupils)		(£41,200)		£5,520,800

  

Total estimated cost of intervention required	/	Number of anticipated new units in catchment as a result of LDP2, HLA and any known windfall	=	Contribution rate for standard SSRU (£)
(£5,520,800)		(1160)		£3,286.19

A mix of 2, 3 and 4 bedroom residential units (private) @ 420 units x SSRU:

**Total Contribution for Secondary School A: £1,393,345**

**Total Education Contribution Rate (primary + secondary) = £10,262,595**

Developer Contributions for Healthcare Facilities

There is a need for an extension to the local General Medical Service and the local Dental Practice in the town to be able to cope with the additional demands that new patients will place on these facilities.

1. For the General Medical Service, the developer contributions to be collected would be calculated as follows:

Cost build per sqm x Floor area (per sqm) / patient ratio x average household size = Contribution per SRUE

4,439.01 x 271 / 1500 x 2.16 = £1, 732.28

Application of SSRU

3 bed units = £1,732.28 x 200 = £346,455.85

2 bed units = £1,732.28 x 200 x 0.8 = £277,164.68

4 bed units = £1,732.28 x 200 x 1.2 = £415,747.02

**Total contribution rate = £1,039,367.56**

2. For the Dental Practice, the developer contributions to be collected would be calculated as follows:

Cost build per sqm x Floor area (per sqm) / patient ratio x average household size = Contribution per SRUE

£4,439.01 x 276 / 4,500 x 2.16 = £588.08

Application of SSRU

3 bed units = £588.08 x 200 = £117,616.01

2 bed units = £588.08 x 0.8 x 200 = £94,092.81

4 bed units = £588.08 x 1.2 x 200 = £141,139.21

**Total contribution rate = £352,848.03**

3. Combined total contribution rate is calculated as follows:

General Medical Service total + Dental Practice Total = Overall total contribution rate

£1,038,367.56 + £352,848.03 = £1,392,215.58

**The total contribution rate for all healthcare facilities is £1,392,215.58**

Combining all contributions required

Education contribution rate + healthcare contribution rate = Total amount to be collected overall

**£10,262,595 + £1,392,215.58 = £11,654,810.50**