

Proposed Developer Contributions Committee

Report by Kevin Anderson, Acting Director Resources

1 Purpose of Report

This report is presented to inform Council of a proposed Developer Contributions Committee being established following the motion agreed at the 7 May, 2019 meeting, where Council resolved:

- *To investigate creating a Developer Contributions Committee and;*
- *Instructed the Director, Resources to bring forward a paper to Council before the summer recess 2019 with proposals and options for a Section 75 Developer Contributions Committee.*

2 Background

Developer Contributions are required to enable new development to take place including the provision of essential infrastructure and contributions towards local facilities and amenities brought about by the proposed development.

Midlothian Local Plan acknowledges the need for significant investment in essential infrastructure and facilities in order to deliver the development strategy. The plan led approach adopted by the Council provides landowners and developers with not only an early identification of the infrastructure and facilities requirements in Midlothian, but also the means by which these will be secured.

The scale of growth in Midlothian (committed, planned, and cumulative through windfall and future allocations by way of the strategic and local development plan process) is such that only a partnership approach involving the public and private sectors will ensure the managed implementation of the development strategy. Much public and private investment has already been made in infrastructure and community facilities but more is still needed.

The Council has played an active part in this process by forward funding the community schools replacement programme, building in excess of 1000 new social houses for rent and by making funding contributions to Borders Rail. However, on its own, the Council does not have the ability to provide the entire physical and social infrastructure associated with major planned development.

Managing the scale of growth proposed in Midlothian also places an obligation on the Council to apply best practice in current “place making” principles and for developers to demonstrate that new development can successfully integrate with existing settlements and urban areas. This brings with it an added understanding and requirement for partnership

and co-operation with the Council and communities to make appropriate provision for facilities and services to support the expanding towns and villages.

3 Developer Contributions

Planning officers may seek contributions from a developer, which are secured through a Section 75 legal agreement or a unilateral undertaking. Usually developer contributions are for:

- Roads
- Transport improvements and travel initiatives
- Community or recreation facilities
- Education
- Health
- Affordable housing

The contributions are to reduce the impact of a new development and to make sure it does not place additional pressure on existing infrastructure. Planning officers negotiate with the developer so the proposed development is acceptable in planning terms. Developers are asked to pay for, or contribute towards, the cost of additional infrastructure needed to service the new development. The level of contribution will be related to the scale of the new development and its impact on the local environment. However, contributions cannot compensate for a proposed development that is considered unacceptable.

Midlothian Council recognise that it is essential to maintain elected member involvement in significant decision making, as a way of implementing effective community input within the planning framework.

As such, the Council believes that councillors should have a greater input over the application of developer contributions as communities in Midlothian are faced with growing numbers of housing developments and it is essential that Councillors are able to fully represent their electorates as to potential for community benefit, and ensure that the interests of ward members are represented at the setting of developer contributions.

It is therefore appropriate that Midlothian, consider establishing a committee to consider and set acceptable developer contributions in the interests of local residents.

4 Establishing a Contributions Committee

The establishment of a new committee would require a change in the Scheme of Administration, which was last approved by the Council on 29 August 2017. Changes made to the Scheme resulting from decisions

taken by the Council since 2017 can be incorporated within the current Scheme and reported to Council by the end of 2019.

It is proposed that consideration of a proposed Developer Contribution Committee is included within the suggested Review of Standing Orders Short Term Elected Member Working Group recommended in a separate report to Council on the meeting agenda for the purposes of undertaking the remit review.

5 Report Implications

5.1 Resource

The resource implications relating to this report will be officer time on reviewing and producing amended documents and reports to Council.

5.2 Risk

The Standing Orders and associated documents, including the Scheme of Administration provide the fundamental governance arrangements of the Council. If these are not reflective of the current ways of working, there is a potential for challenges to be made to decisions made by the Council, Cabinet and Committees.

5.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☐ Getting it right for every Midlothian child
- ☐ Improving opportunities in Midlothian
- ☐ Sustainable growth
- ☐ Business transformation and Best Value
- X None of the above

5.4 Key Priorities within the Single Midlothian Plan

This report does not impact on the key priorities within the Single Midlothian Plan.

5.5 Impact on Performance and Outcomes

The report does not directly impact on Midlothian Council's performance and outcomes.

5.6 Adopting a Preventative Approach

The report does not directly impact on actions and plans in place to adopt a preventative approach.

5.7 Involving Communities and Other Stakeholders

The report does not directly relate to involving communities.

5.8 Ensuring Equalities

This report does not recommend any change to policy or practice and therefore does not require an Equalities Impact Assessment.

5.9 Supporting Sustainable Development

There are no sustainability issues arising from this report.

5.10 IT Issues

There are no IT issues arising from this report.

6 Recommendations

Council is recommended to agree the proposal to establish a Developer Contribution Committee is included with the review remit of the suggested Short Term Elected Members Working Group for Standing Orders.

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