

# Summary Note of Key Changes

## Draft Developer Contributions and Affordable Housing Supplementary Guidance (2023)

Published: 9<sup>th</sup> June 2023

### Background

On 31<sup>st</sup> May 2023, Members of the Council's Environment, Infrastructure and Economic Development Committee heard a report by officers to update Developer Contribution and Affordable Housing Supplementary Guidance (2020) and initiate a period of public consultation on the proposed changes.

To help those responding to the public consultation, this note sets out the key changes of the current adopted document and the draft document.

Existing Guidance Section	Text	Draft Guidance Section	Text
-	-	General	Supplementary Guidance will be presented in two sections: <i>Part 1 – Developer Contributions</i> and <i>Part 2 – Affordable Housing</i>  Affordable Housing guidance is moved to Part 2.
4.11 and 4.12	Primary Education contribution rate £5,164.	Part 1 4.11 and 4.12	Primary Education contribution rate £6,300 Building Cost Information Service (BCIS) General Build Cost Indexation applied for the period since the rate was previously approved by the Council (January 2020) up to the index for the month which precedes the date of the Committee Report (March 2023).

4.9	-	Part 1 4.9	Addition: <i>The rate may be revised annually to include indexation based on BCIS General Build Cost Index.</i>
5.5	<i>If a Transport Assessment is required, a contribution will be sought from non-residential developments within the identified boundary that have a trip generation equal to or higher than a dwellinghouse. However, where a Transport Assessment is not required or it is considered to reduce the need to travel e.g. through the provision of local employment or services, the Guidance would not apply.</i>	Part 1 5.5	Update: <i>For non-residential developments within the identified boundary that have a trip generation equal to or higher than a dwellinghouse, an assessment for contributions will be made on a case-by-case basis. However where it is considered the proposed development would reduce the need to travel e.g. through the provision of local employment or services, the Guidance would not apply.</i>
6.2	Project costs: <i>Cross Tay Link Road (CTLR): £118m A9/A85 Crieff Road junction Improvements: £49.4m Total: £167.4m Note: These are based on 2019 estimates.</i>	Part 1 6.2*	Project costs: <i>Cross Tay Link Road ("CTLR"): £150.47m A9/A85 Crieff Road junction improvements: £49.4m Total: £199.8m Note: These are based on 2022 estimates</i>  *Including any references to project costs elsewhere in the document.
		Part 1 6.5	Addition: <i>Following appropriate assessment, proportionate contributions or mitigation will be sought toward the infrastructure to be delivered by Perth &amp; Kinross Council at LDP2 Site MU70 (Perth West), including an A9 underpass to address site severance. Early discussions are recommended to establish specific requirements from landowners/developers within MU70.</i>

6.18		Part 1 6.18	Addition: <i>The rates set out in this guidance may be revised to account for these updated costs and implemented without further formality.</i>
6.20 and 6.21	Tables showing Transport Infrastructure contribution rates.	Part 1 6.21 and 6.22	Tables showing updated Transport Infrastructure contribution rates reflecting project costs.
Section 7 Affordable Housing		Part 2 Affordable Housing General	Restructured and updated in terms of its references to Scottish Government and PKC policies. Aims to create a more fluid document that provides an overview of what affordable housing is and how the policy should be implemented.
7.24	<i>The instances where a commuted sum may be acceptable include: [...]</i> <ul style="list-style-type: none"> <li><i>Where there is a high concentration of affordable housing in the area and the provision of a commuted sum would help achieve more balanced communities elsewhere in the housing market area.</i></li> </ul>	Part 2 3.83	Deletion of bullet point from list.
7.27 – 7.30	Affordable Housing Credit Scheme.	-	Removal of Affordable Housing Credit Scheme. Any confirmed Credits currently agreed with developers will continue to be valid until their expiry dates, but no further Credits shall be awarded.
7.31	Table showing commuted sum rates per Housing Market Area.	Part 2 3.9	Table showing updated commuted sum rates per Housing Market Area and updated references to District Valuer's report.  As advised on the Council's website, the revised commuted sum rates were effective from 01 April

			<p>2023 and are now applied to planning applications validated from that date.</p> <p>Addition:  <i>3.9.3 This table will be updated annually based on the procedure set out in 3.9.2.</i></p>
		Part 2 6.2	<p>Addition:  Section 6.2 <i>Integration and tenure blind design.</i></p>
7.37		Part 2 6.5	<p>Update:  The percentage in terms of households living in private rental accommodation has been updated to reflect the most current national data.</p>
7.37	<p><i>Tied accommodation or properties built by private estates for essential estate workers (which are subject to occupancy restrictions) can also be included as an affordable housing contribution. Such proposals will be assessed on an individual basis and the occupancy condition may include a requirement that the landowner confirm, when requested, that the occupancy condition is being upheld. If the landowner at a later date seeks consent to remove the occupancy condition, then the Council would seek a commuted sum at whatever the rate is at that time in lieu of the affordable housing provision or the transfer of the property to an RSL at affordable housing value.</i></p>		<p>Update:  <i>Affordable housing requirements relating to proposals for tied accommodation or properties built by private estates for essential estate workers will be assessed on an individual basis.</i></p>
7.44	<p>Table showing maximum price thresholds for affordable housing values purchased through the Shared Equity, subsidised and unsubsidised low-cost housing for sale options.</p>	6.8	<p>Table and references updated. The average house prices for the PKC area have been updated to reflect the most recent averages.</p>

Appendix 1	Developer contributions requirements for individual schools.	Appendix 1	Developer contributions requirements for individual schools list updated.
		Contact information	Affordable Housing contact updated and moved to Part 2.

Please note this is a consultation to update supplementary guidance and is limited by the existing policy framework of the adopted Local Development Plan LDP2. Any consideration of new or substantive policy changes may take place through the Plan review process. Further information on opportunities for engagement in LDP3 can be found via our website.