

**REPORT TO: ECONOMIC DEVELOPMENT AND INFRASTRUCTURE SERVICES COMMITTEE ON 3 MAY 2011**

**SUBJECT: REVIEW OF TRANSPORTATION COMMUTED SUM LEVELS**

**BY: HEAD OF DIRECT SERVICES**

**1. REASON FOR REPORT**

- 1.1 To report the outcome of a review of current commuted payment values and to seek approval for revised sums.
- 1.2 This report is submitted to Committee in terms of Section G (16) and G (18) of the Council's Administrative Scheme relating to the exercising of all functions of the Council as Roads Authority including safety, the detailed planning, design and construction, improvement, maintenance and lighting of roads, bridges and other structures, and to deal with traffic management functions including the preparation and implementation of traffic management schemes.

**2. RECOMMENDATION**

**2.1 The Committee is asked:**

- a) **To note the content of this report;**
- b) **approve the levels of commuted sums for the parking spaces and passing places set out in paragraph 3.12.**

**3. BACKGROUND**

- 3.1 Transportation is consulted on planning applications through the eConsultation process where a development is considered likely to have road safety and transport / traffic (including parking) implications. For the majority of planning applications the developer provides all of the infrastructure required for the proposed development. This is secured through appropriate planning conditions.
- 3.2 Under the Moray Local Plan 2008 Policy T2 Road Access, this can involve a modification to the road network to provide new passing places on single track roads. Under the Moray Local Plan 2008 Policy T5 Parking Standards, this can involve the provision of parking spaces for users of the development.
- 3.3 However, in some instances the requirement for passing places and parking spaces are dealt with through the mechanism of planning agreement and developer contributions. The Moray Local Plan 2008 Policy IMP3 Developer Contributions sets out the policy covering developer contributions.

Parking space commuted sum

- 3.4 The Council's parking standards sets out the arrangement for a commuted sum towards parking spaces in town centre areas defined in the Moray Local Plan. A review of the parking standards was reported to this Committee on 8

March 2011 (para 14 of the minutes refer). The parking standards include arrangements for a commuted sum for relevant developments.

- 3.5 The current commuted sum of £3,000 for each parking space has been used since August 2008.
- 3.6 A review of the costs associated with the provision of parking space in a town centre location has been undertaken. The review included legal and professional fees, associated with securing third party land, and construction costs. Land values and construction costs have increased since the previous review of the commuted sum.

#### Passing Place commuted sum

- 3.7 Since June 2010 planning gain matters have been handled through the Service Level Agreement with the Aberdeenshire Council. The Planning Gain Unit consultations include consideration of several transportation aspects, including passing place requirements.
- 3.8 The commuted sum for the provision of a passing place was considered in June 2010 using data available from Roads Maintenance for passing places that had been constructed across Moray. The commuted sum for a passing place for a household development was valued at £7,590. The commuted sum for a passing place for a commercial development (where a longer passing place is required to accommodate heavy goods vehicles) was valued at £11,000.
- 3.9 Since 1 June 2010 there have been 16 planning applications permitted where a passing place has been required to mitigate the impact of a development. Of these applications, 15 have identified locations within the control of the applicant where a passing place can be provided and a planning condition has been applied. To date only one permitted planning application has provided a developer contribution for a passing place. A separate report is being submitted to Committee on the use of this commuted sum for a passing place.
- 3.10 During the period since June 2010, there have been another 21 planning applications identified as requiring a passing place, which have yet to be determined. Of these applications, it is understood that, if permitted, 8 would have a planning condition applied for the provision of the passing place. In the event that planning conditions are not used for the other applications they would be handled through planning gain.
- 3.11 A review of the costs associated with the provision of passing places for household and commercial developments has been undertaken. The review has included legal and professional fees, associated with securing third party land, and construction costs. Over the past 12 months agricultural land values in Moray and construction costs have both increased.

#### Comparison of Current and Revised Developer Contributions

- 3.12 The following table provides a comparison of the current and revised levels of developer contributions:

|               |                         | <b>Current</b> | <b>Revised</b> |
|---------------|-------------------------|----------------|----------------|
| Passing Place | Residential Development | £7,590         | £8,700         |
|               | Commercial Development  | £11,000        | £12,600        |
| Parking Space |                         | £3,000         | £3,950         |

#### 4. **SUMMARY OF IMPLICATIONS**

##### **(a) Single Outcome Agreement/ Service Improvement Plan**

This report is relative to the following SOA key priorities:-

SOA Key Priority 8 Roads/Transport – improve the accessibility of amenities and services (national outcome 10) across Moray.

Local Outcome 3 – Moray will benefit from an improved and safer transportation infrastructure.

##### **(b) Policy and Legal**

Moray Local Plan 2008 Policies T2 Road Access, T5 Parking Standards and IMP3 Developer Contributions cover the aspects of transport and accessibility and developer contributions.

Planning agreements are processed as Section 69 (payment at the time of the agreement) or Section 75 (payment at an agreed trigger).

At this time reports are presented to the relevant Committee to seek approval to use the funds for the relevant transportation infrastructure.

##### **(c) Financial implications**

Developer contributions are recorded as separate receipts and are held in an interest bearing account.

If the increase in financial contributions are not agreed, but commuted sums for these infrastructure elements is a planning condition, then the Council will be funding the difference in costs.

##### **(d) Risk Implications**

For the majority of planning applications the developer provides transportation infrastructure required for the development through an appropriate planning condition. In cases where the requirement for passing places and parking spaces are dealt with through the mechanism of a relevant commuted sum the cost of providing the infrastructure is passed to the Council. The review of costs for providing this infrastructure has included legal and professional fees,

associated with securing third party land, and construction costs. The new valuation recognises an increase in land values in Moray and construction costs.

**(e) Staffing Implications**

Should the Committee approve the new commuted sum values Transportation staff and the Planning Gain Unit will use these values in negotiations with relevant developers.

**(f) Property**

Land may be required to provide the parking spaces or passing places. The cost of this has been included in the new commuted sum values.

**(g) Equalities**

Through the use of commuted sums obstacles to the granting of planning permission can be overcome. This enables development, provides transportation infrastructure, and ensures the amenity and road safety of the area in the vicinity of the development.

**(h) Consultations**

A Scott, Principal Solicitor (Commercial and Conveyancing) has been consulted and comments have been covered in this report.

L Paisey, Principal Accountant (Finance) has been consulted and has no comments.

The Estates Manager has been consulted and has no comments.

The Roads Maintenance Manager has been consulted and has no comments.

The Planning and Economic Development Manager has been consulted and comments have been covered in this report.

**5. CONCLUSIONS**

- 5.1 For the majority of planning applications the developer provides all of the infrastructure required for the proposed development. This is secured through appropriate planning conditions. However, in some instances the requirement for passing places and parking spaces are dealt with through the mechanism of planning gain.**

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- 5.2 The costs associated with the provision of parking spaces and passing places have been reviewed, including legal and professional fees, associated with securing third party land, and construction costs.**
- 5.3 The Committee is requested to approve the revised commuted sum values set out in paragraph 3.12.**

Author of Report: R Gerring, Senior Engineer (Transport Development)

Background Papers:

Ref: