

## Summary of public consultation comments

### List of Acronyms:

ADT	Aberfeldy Development Trust
AH	Affordable Housing
AJS	A&J Stephen Ltd
BCIS	Building Cost Information Service
FDCC	Fossoway and District Community Council
GSB	GS Brown Construction Ltd
HFS	Homes for Scotland
LDP2	Perth and Kinross Local Development Plan 2 (2019)
LDP3	Perth and Kinross Local Development Plan 3 (2027 TBD)
NPF4	National Planning Framework 4 (2023)
PKC	Perth and Kinross Council
RCL	Ristol Consulting Limited
RICS	Royal Institute of Chartered Surveyors
SME	Small and Medium-sized Enterprise

**Highlighted text** indicates new or amended text

Comment	Comment provided by	Council's response	Change to be made
<b>Part 1 Developer Contributions: general</b>			
<p>Finds 10-year utilisation period for contributions (primary education, transport infrastructure) unacceptable – suggests this should be 5 years to pass Circular 3/2012 tests.</p>	HFS	<p><i>The 10-year utilisation period for those contribution payments is a long-standing element of the PKC developer contributions policy and is not a new feature being consulted upon. A 10-year period is appropriate given the nature of Education projects and the financing of them.</i></p> <p><i>PKC considers the period of 10 years to be appropriate, Circular 3/2012 does not prescribe any specific period for the utilisation of contribution payments.</i></p>	<b>No change</b>
<p>Requests the 12-month period to claim unspent contributions (at 0.25% below Bank of England base rate) is deleted. Recovery should be unrestricted and without cost.</p>	RCL	<p><i>PKC consider it necessary to structure the process of the recovery of unspent developer contributions. This process is a long-standing element of the PKC developer contributions policy and is not a new feature being consulted upon. Interest is payable by PKC on an unspent contribution. This is of benefit to the original contributor and not a cost. For clarity, this is Bank of Scotland base rate. These recovery arrangements provide certainty to both PKC and applicants. The advice on the relevant utilisation period and recovery process is provided, in writing, on receipt of each contribution made to PKC, and is also stated within any Section 75 Agreement.</i></p> <p><i>In addition to the existing measures, officers agree that additional Guidance</i></p>	<b>No change</b>

		<i>can be published on PKC's website to assist applicants with that process.</i>	
<p>Comments on Paragraph 3.2 of the Guidance, noting that the Guidance will not be applied retrospectively. Suggests wording is not in-keeping with Circular 3/2012, resulting in the need for S75a applications in order to modify contribution levels.</p>	Anonymous	<p><i>Officers consider the spirit of the statement at Paragraph 3.2 necessary in order to provide certainty to applicants what guidance will apply at the point of determination and its purpose is to protect developers/ applicants from increases in contribution rates.</i></p> <p><i>Officers recognise an amendment is required to clarify this.</i></p>	<p><b>Paragraph 3.2 amended as follows:</b></p> <p><b>3.2 The following principles apply to the application of this Guidance:</b></p> <ul style="list-style-type: none"> <li>● <b>The Guidance will be applied to sites identified in the adopted Local Development Plan and planning applications;</b></li> <li>● <b>The Guidance will not apply retrospectively to sites with full or 'In Principle' planning consent prior to each relevant section of the Guidance coming into effect: Affordable Housing (August 2005); Primary Education (May 2009); Auchterarder A9 Junction (August 2009); Transport Infrastructure (April 2014).</b></li> <li>● <b>The Guidance will not be retrospectively applied to an application already submitted prior to the Guidance being adopted, where:</b> <ul style="list-style-type: none"> <li>(i) <b>that would lead to an increased level in contributions being applied, or</b></li> <li>(ii) <b>a constraint has already been identified which may in the absence of</b></li> </ul> </li> </ul>

			<b><i>this Guidance have resulted in a recommendation of refusal.</i></b>
Gives positive comment on Paragraph 3.2 of the Guidance, that the Guidance will not be applied retrospectively.	HFS	<i>As above</i>	<b><i>As above</i></b>
<b>Part 1 Developer Contributions: primary education</b>			
Suggests that contributions should only be required where a school has reached 100% capacity, with cognisance where school rolls are at capacity due to other identified development. This results in 'active' developments being penalised where a school is not actually at capacity.	HFS	<i>This is a long-standing element of the PKC developer contributions policy and is not a new feature being consulted upon. This is deemed necessary for PKC's Education &amp; Children's Services management of the school estate. Officers recognise that planning authorities across Scotland reference different capacity and will be dependent on each local authority's operational requirements. The Guidance recognises the need for forward planning (Paragraph 1.4): "It is neither sustainable nor good planning to wait until capacity is used up and then begin to recognise and address the problem. It will be necessary to analyse current capacity and future demand making the solution the collective responsibility of the Council and developers over the long term. This approach is the most equitable, sharing the cost with all development which places new demand on infrastructure capacity, rather than placing an uneconomic burden</i>	<b><i>No change</i></b>

		<i>on a limited number of developers in later years.”</i>	
Does not agree with use of the BCIS General Building Cost Index due to relevance, volatility, and lack of transparency (requires subscription fee to RICS) and suggests that the Retail Price Index should be used instead. Suggests that indexation should not be applied to every contribution, and not used for previously committed payments or build contracts.	HFS	<i>This is a long-standing element of the PKC developer contributions policy and is not a new feature being consulted upon. The BCIS index is a ‘real time’ record of the construction market at any monthly interval. Contributions are linked to the delivery of infrastructure, therefore using the BCIS index reflects the construction costs of these works. Whereas the UK Government defines RPI as: “an average measure of change in the prices of goods and services bought for the purpose of consumption by the vast majority of households in the UK”. The UK Government also announced in 2020 that RPI will be reformed by 2030 and will be replaced by the Consumer Price Index. Where there are any accessibility issues with BCIS index figures in calculating contribution payments, PKC can assist.</i>	<b>No change</b>
<b>Part 1 Developer Contributions: transport infrastructure</b>			
Comment regarding insertion at Paragraph 6.5: seeks clarity that this is not applicable to developers outwith Site MU70 Perth West.	AJS	<i>Confirm that the requirement relates only to LDP2 Site MU70.</i>	<b>Update wording:</b> <b>“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</b>

			<p><b>to address site severance. Early discussions are recommended to establish specific requirements, and will apply to landowners/ developers within the Site MU70 area.”</b></p> <p><b>See below.</b></p>
<p>Queries whether there are timescales and format for ‘appropriate assessment’ required, with regards to the insertion at Paragraph 6.5.</p>	HFS	<p><i>The wording inserted at Paragraph 6.5 advises that early discussions are recommended to establish the specific requirements from proposals within the MU70 area.</i></p> <p><i>The planning authority strongly advocates for pre-application advice/ discussions from applicants. It is intended that potential applicants will take account of the Guidance when preparing their proposals and seek advice on this point, prior to the submission of any planning application.</i></p>	<p><b>Further update to wording:</b></p> <p><b>“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.</b></p> <p><b>Discussions with the planning authority, prior to the submission of any planning application, are strongly recommended to establish specific requirements, and will relate to landowners/ developers within the Site MU70 area.”</b></p>
<p>Refers to insertion at Paragraph 6.5 and requests that the Guidance draws out that the proportionate contribution is towards the full scope, elements and cost of this infrastructure.</p>	RCL	<p><i>The proposed insertion at Paragraph 6.5 aligns with LDP2 Site MU70 site requirements and the proposed wording is consistent with those requirements. This ensures proposed infrastructure at the site referenced in the Guidance is consistent with LDP2.</i></p>	<p><b>No change</b></p>

<p>Suggests that contribution rates have not been adequately justified.</p>	<p>HFS</p>	<p><i>The Transport Infrastructure developer contribution was implemented by PKC in 2014.</i></p> <p><i>Transport Infrastructure contributions set out in section 6 of the Guidance relate to the Perth Transport Futures projects, also identified in the adopted Supplementary Guidance. No change is proposed to the basis of that contribution, only an update to reflect increased project costs since the last costs from 2019/20.</i></p> <p><i>With regards to the purpose of this contribution, these infrastructure projects have been deemed necessary in order to accommodate new development in Perth, and the surrounding area, and to support the local development plan; a development embargo was established until the Cross Tay Link Road (Phase 2 of Perth Transport Futures) was committed. The developer contribution rates have been calculated on the basis of those total project costs and the modelling of traffic growth in that area to establish a relevant proportionate contribution from development in the area.</i></p>	<p><b>No change</b></p>
<p>Comment regarding insertion at Paragraph 6.18: states that updates to the Guidance must be consulted on.</p>	<p>HFS</p>	<p><i>The proposed change within the draft Guidance will enable PKC to uplift the contribution rates in line with those project costs, which are published and reported publicly by PKC, and is limited to those projects already identified.</i></p> <p><i>The process of formally reporting, consulting, and publishing an updated</i></p>	<p><b>Amendment to Paragraph 6.18:</b></p> <p><b><i>“...The rates set out in this guidance may be reviewed annually to account for updated project costs and will be published on the PKC website.”</i></b></p>

		<p><i>Supplementary Guidance document for routine uplift of established contributions is excessive where the methodology for calculating the contribution rate remains unchanged.</i></p> <p><i>It is proposed that contribution rates that require to be routinely updated, under the scope of the Guidance, will be published on the PKC website as an ancillary update, rather than a change to the adopted Supplementary Guidance document itself. Applicants/ developers will be advised as to when those revised rates will become effective.</i></p>	
<p>Comments that transport obligations should be fair and proportionate. Transport should not be considered separate to other contributions but included as a whole to ensure development viability.</p>	HFS	<p><i>Transport Infrastructure developer contributions set out in section 6 of the Guidance relate to the specific projects identified in the Guidance as part of the Perth Transport Futures improvements. Those contributions will only be sought from qualifying development within the identified area.</i></p> <p><i>Site-specific transport mitigation may be required either in addition or, or instead of, the contribution requirements of section 6 of the Guidance and will be considered on a case-by-case basis; early pre-application advice by potential applicants is therefore advised in order to establish potential requirements of development proposals.</i></p>	<b>No change</b>
<p>General support: but requests consideration into expansion of defined contributions area to support</p>	FDCC	<p><i>Transport Infrastructure developer contributions set out in section 6 of the Guidance relate to the specific projects</i></p>	<b>No change</b>



<p>rural communities as a result of major developments and tourist accommodation.</p>		<p><i>identified in the Guidance as part of the Perth Transport Futures improvements. It would not be appropriate to use these contributions for other mitigation, or to extend this zone to satisfy a separate requirement.</i></p> <p><i>The concerns raised in these comments have been noted by officers. Currently, the draft Guidance being consulted upon represents an update to the adopted Guidance, and new/ additional developer contribution requirements are not proposed.</i></p> <p><i>PKC are currently undertaking a review of the LDP. Community feedback, as well as infrastructure audits, will support that review in the preparation of LDP3 (estimated for adoption in 2027) and new contribution requirements, where justified, will be considered as part of that process.</i></p>	
<p>Part 2 Affordable Housing: general</p>			
<p>Supports a range of affordable housing type approaches to delivery, such as self/ custom build and co-housing.</p>	<p>RCL</p>	<p><i>Noted</i></p>	<p><b>No change</b></p>
<p>Recommends NPF4 Policy 17 is better reflected in the Guidance, with regards to ‘tied’ estate housing in rural areas.</p>	<p>RCL</p>	<p><i>Noted. Tied estate housing is recommended for assessment on an individual basis in the Guidance. NPF4 Policy 17 intends to encourage, promote, and facilitate the delivery of more high quality, affordable and sustainable rural homes in the right locations.</i></p>	<p><b>No change</b></p>

<p>General narrative about the engagement of the development sector within planning and housing consultations in Perth and Kinross.</p>	<p>HFS</p>	<p><i>Noted</i></p>	<p><b>No change</b></p>
<p>Notes the importance in the role of Community Development Trusts in the delivery of affordable housing with strategic projects, which is welcomed as the draft Guidance is finalised.</p>	<p>RCL</p>	<p><i>Noted</i></p>	<p><b>No change</b></p>
<p>Queries the reference to NPF4 and lack of reference flexibility of the 25% affordable housing requirement to reflect viability. Concludes that LDP2 Policy 20 and the draft Guidance are contrary to NPF4.</p>	<p>HFS</p>	<p><i>NPF4 Policy 16 states that proposals for market homes will only be supported where the contribution to the provision of affordable homes on a site will be at least 25% of the total number of homes, and goes on to list potential exceptions, where justified, as noted in the comment.</i></p> <p><i>The draft Guidance remains that 25% is PKC’s minimum expectation for affordable housing requirements, as is the basis of adopted LDP2 Policy 20.</i></p> <p><i>Policy 20 also states that “the Council will consider innovative and flexible approaches to the delivery of affordable housing and will take into account considerations that might affect deliverability such as development viability and the availability of funding”.</i></p> <p><i>Officers consider that this policy position supports the aims of NPF4 Policy 16, whilst reflecting local needs in PKC.</i></p> <p><i>Flexibility will be provided where viability</i></p>	<p><b>Proposed update. Delete and replace Paragraph 3.1 of the draft Guidance:</b></p> <p><b>“LDP2 Policy 20 sets the Council’s requirement for affordable housing when assessing new development proposals. NPF4 (Policy 16) is also a relevant part of the statutory development plan.”</b></p>

		<i>issues can be adequately demonstrated, on a case-by-case basis. NPF4 makes provision for LDPs to set different percentage policies where justified. This will be considered in the preparation of LDP3.</i>	
Requests that PKC increase the affordable housing provision percentage for new home. Rationale is based on other local authority approaches and explains Stirling and Fife Council policy in detail. Provides narrative on local context of affordability and availability of affordable housing in Aberfeldy, including economic impacts and community feedback.	ADT	<i>The draft Guidance remains that 25% is PKC's minimum expectation for affordable housing requirements, as is the basis of adopted LDP2 Policy 20. Officers consider that this policy position supports the aims of NPF4 Policy 16, whilst reflecting local needs in PKC. Policy evolution for affordable housing is being considered as PKC undertakes its review of LDP2.</i>	<b>No change</b>
<b>Part 2 Affordable Housing: 'sequential approach'</b>			
Notes the Guidance has been restructured and updated.	HFS	<i>Noted</i>	<b>No change</b>
Comment regarding Paragraph 7.24 (deletion of first bullet point: "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") – does not agree with deletion.	HFS	<i>Noted. Officers consider that the point, formerly included at Paragraph 7.24, conflicts with the spirit of LDP2 Policy 20 and the 'sequential approach' for affordable housing delivery in the Supplementary Guidance. PKC requires on-site delivery, or (where justified) off-site delivery, then and only where those options cannot be satisfied, a commuted sum will be considered. Further emphasis and clarity on this process has been deemed necessary as a result of</i>	<b>No change</b>

		<p><i>experience in the application of the Policy and Guidance and the point formerly included at Paragraph 7.24 represented ambiguity.</i></p> <p><i>Where there are viability concerns with proposed development then these will be considered on a case by case basis. Pre-application advice on potential development proposals is always advised to establish what provision will be necessary.</i></p>	
Notes disappointment at acceptance of commuted sums over on-site delivery in the local area.	FDCC	<p><i>Noted. The updates to the Guidance intend to highlight PKC's preference for on-site delivery as part of the 'sequential approach'.</i></p>	<b>No change</b>
<b>Part 2 Affordable Housing: credit system</b>			
<p>Strongly objects to the proposed removal of the PKC's credit system for AH. Following reasons provided: AH credits encourage effective/ early delivery of AH.</p> <p>AH credits more reliable than payment of commuted sums.</p> <p>AH credits utilised by local and SMEs. Various economic benefits provided local SMEs. PKC should support SMEs.</p> <p>Successful example cited of AH delivery at Guildtown.</p> <p>PKC has discretion to decline AH credits on site-by-site basis, therefore disagrees with removal of the system.</p>	AJS	<p><i>The approved Local Housing Strategy 2022-2027 sets out to deliver 'more housing in liveable and sustainable places which are well designed, safe and connected...in turn reducing inequality and discrimination'.</i></p> <p><i>The sequential approach to delivery with preference for on-site affordable housing provision as much as practicable is the best way to achieve this.</i></p> <p><i>The Affordable Housing Credits System reduced the extent of on-site provision of affordable housing within market housing developments. It is appropriate to wind it down to achieve the aims of the current LHS. This is also aligned with NPF4 and its outcomes, including the provision of</i></p>	<b>No change</b>

<p>Removal of the AH credit conflicts with the spirit of Local Development Plan 2 (2019) Policy 20: Affordable Housing.</p>		<p><i>land in the right locations to accommodate future need and demand for new homes, supported by appropriate infrastructure. Officers considered the perceived benefits presented by the Affordable Housing Credit System included in the adopted Guidance, as well as practical experience of the system since its implementation. This approach allowed housebuilders to group sites, provided the overall 25% affordable housing requirement was ultimately met across a number of sites. However, it has not been well utilised and has proven difficult to implement and monitor.</i></p> <p><i>The benefits in terms of faster delivery and support for local SMEs are noted but are no longer considered to outweigh the medium and long-term disbenefits in terms of providing affordable housing in the right locations. Any confirmed Credits currently agreed with developers will continue to be valid until their expiry dates, but no further Credits shall be awarded.</i></p>	
<p>Does not support the removal of the AH credit system. The system allows flexibility in delivering sites in difficult financial times, for example during the last recession, and to meet AH need.</p>	<p>HFS</p>	<p><i>As above</i></p>	<p><b>No change</b></p>
<p>Does not agree with proposed removal of AH credit system. Considers the credit system</p>	<p>GSB</p>	<p><i>As above</i></p>	<p><b>No change</b></p>

enhances the delivery of AH. Sets out narrative of benefits provided to the economy as a local business and employer.			
Notes the credit system has been effective in rural areas, and requests it be retained.	RCL	<i>As above</i>	<b>No change</b>
<b>Other Comments</b>			
General support	AJS	<i>Noted</i>	<b>No change</b>
Concerns over explanation of the consultation process and how public consultation responses will be considered by the Council.	HFS	<i>The report to Environment, Infrastructure and Economic Development Committee (31<sup>st</sup> May 2023 Report No. 23/170 stated that: "Following the period of public consultation, the responses will be collated and reviewed by the project team. The updated Guidance will then be brought back to Committee for approval prior to submission to Scottish Ministers for formal adoption". Officers accept the process could be mapped more clearly for stakeholders' awareness and explain how PKC are considering consultation responses in the adoption process.</i>	<b>Note for future consultation</b>
Generally supports phasing of contributions payments and involvement of PKC in delivering infrastructure.	RCL	<i>Noted</i>	<b>No change</b>