

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	26 <sup>th</sup> September 2019
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Update on Developer Obligations Process and Associated Asset Plans.
<b>REPORT NUMBER</b>	PLA/19/326
<b>DIRECTOR</b>	Gale Beattie
<b>CHIEF OFFICER</b>	Gale Beattie
<b>REPORT AUTHOR</b>	David Dunne and David Berry
<b>TERMS OF REFERENCE</b>	2.2

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### 1. PURPOSE OF REPORT

- 1.1 The Purpose of the report is to update committee on the progress of appointing a Developer Obligations Team Leader, of reviewing the Developer Obligations process and production of Developer Obligation Asset Plans.

### 2. RECOMMENDATION(S)

That Committee :-

- 2.1 Note progress on appointing a Developer Obligations Team Leader and on updating the Developer Obligations process; and
- 2.2 Note that the Chief Officer – Strategic Place Planning would undertake the consultation on the draft Asset Plan template as outlined within this report, and report the outcomes to a future meeting of this committee.

### 3. BACKGROUND

- 3.1 A report on Developer Obligations (DO) was approved by Communities, Housing and Infrastructure in November 2017 (CHI/17/248). This instructed officers to *“terminate the current agreement with Aberdeenshire Council to*

*provide Developer Obligation services” and “arrange the delivery of a full Developer Obligation service within Aberdeen City Council”. A subsequent report to City Growth and Resources in April 2018 (GOV/18/005) sought to extend the agreement with Aberdeenshire Council due to difficulties in recruiting a DO Team Leader and “to report back to committee at the end of the 12 month period if an officer has not been appointed”.*

3.2 The agreement with Aberdeenshire Council was therefore extended to April 2019, and in January 2019 a DO officer was appointed. This resulted in the Chief Officer – Strategic Place Planning notifying Aberdeenshire Council early in 2019, that the current agreement would not be renewed when it elapsed in April 2019, and since then all DO services have been carried out internally.

3.3 Since the appointment of the DO Team Leader three strands of work have commenced:-

- A. Taking over the processing of all DO assessment for planning applications (which is the work that had been previously been undertaken by Aberdeenshire Council).
- B. Reviewing the current DO process and governance structure to align it to the TOM and Capital Plan.
- C. Preparing a draft Asset Plan template for consultation.

3.4 **A. Processing DO assessment of Planning Applications.**

This is the most time critical and by far the most important aspect of the work taken over from Aberdeenshire Council, and forms the majority of the DO Team Leader’s role. By definition, this activity is focussed on future developments, not those which have already navigated the planning process and secured planning permission. The work involves assessing the DO requirements for new developments through engaging with all the relevant services across the Council. These responses are then collated into a DO Assessment Report and any negotiation with the applicant undertaken. Finally, a formal response is put back to the planning case officer to confirm the agreed DO package. The case officer then contacts the Council’s legal team to instruct preparation of the appropriate legal agreement.

3.5 **B. Reviewing the current DO Process.**

This second strand is focused on reviewing how the current DO process works from end to end, to see how it might be improved. While some changes are being introduced to the planning process, greater emphasis is being placed on governance and monitoring. The governance aspect will be focused on alignment with the committee and board structures and has seen a working group formed to ensure appropriate oversight by the Chief Officers of Capital, Corporate Landlord and Strategic Place Planning, with support from finance and legal. This working group will in turn report to the Capital Board and an annual service update on DO will then be brought to this committee.

3.6 **C. Draft Asset Plans**

The final strand focuses on better engagement with developers, communities and elected members through the preparation of asset plans. These were discussed in some detail in the November 2017 report (CHI/17/248).

The purpose of these plans is to front load the DO process by identifying projects across the city that could add capacity to services and facilities, where new development is expected to cause a deficit in capacity. These projects could then be collected and, where possible, costed in advance to provide a stronger and more transparent evidence base for the DO process. Consultation would be undertaken with service providers, communities, elected members and the development industry to gather their views before the asset plans were published. It should be noted that very stringent regulations surround the DO process and while the views of consultees will be considered in the preparation of these plans, they cannot become a “wish list”. The Chief Officers of Strategic Place Planning and Governance will remain the final arbiters of what can be included in these plans based on planning legislation and Planning Circular 3/2012: Planning obligations and good neighbour agreements. The aim would be to have a five-year plan in place that could be updated annually.

- 3.6.1 The first step in producing these asset plans is to prepare a template that can be used to both gather information from across Council services, and act as the basis for the final asset plans. A draft template is attached to this report in Appendix A.

For the purposes of the consultation the template is not for a specific area of Aberdeen but the final templates are proposed to be based on academy catchment areas, subject to the outcome of the consultation. To allow for a better understanding of what might be in the final plans, the template sections are populated with illustrative content, although again with no Aberdeen specific information. This includes information on education requirements, healthcare, sports and recreation, open space etc.

As noted in the recommendations, if this report is approved it would be the intention to hold a public consultation on this template and report back to committee once any amendments have been made and the plans have been populated for all areas of the city.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The financial implications in relation to the appointment of the DO Team Leader and the termination of the Service Level Agreement with Aberdeenshire Council were addressed in the November 2017 report (CHI/17/248) and remain valid. There is no additional cost to the Council.

- 4.2 The preparation of the Asset Plans will require significant input from a variety of sources, and this is being met through support from staff across different services within the council and partner organisations. A general list is provided below:-

- **Open Space and Core Paths**  
Environmental Policy and Environmental Services.
- **Strategic Transport and Local Transportation**  
Roads Construction Consent and Transport Strategies and Programmes
- **Regional SuDS**  
Costal Flooding and Structures Team
- **Education**

- Educational Services and Corporate Landlord
- **Healthcare**  
National Health Service
- **Community Facilities**  
Libraries, Communities and Corporate Landlord
- **Sports and Recreation**  
Sport Aberdeen

4.3 Any new projects resulting from the updated DO process and which utilise agreed financial contributions would be implemented under the Council's governance processes for Capital projects.

## 5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations of this report, however the preparation of the Asset Plans will have to be assessed through the consultation process against all relevant legislation and Scottish Government guidance.

## 6. MANAGEMENT OF RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
<b>Financial</b>	Lack of integration between the DO process and the Capital Plan and continued consultation with the services on an unplanned basis.	L/M	Approve the recommendations and adopt DO Asset Plans as well as improving the governance of the process.
<b>Legal</b>	No immediate risk but assessment of the legality of the Asset Plans required in advance of adopting the plans.	L	The purpose of the report is to approve consultation on the Asset Plans.
<b>Employee</b>	Continued pressure on services to respond to consultations on DO matters in set time frames. This is done in the context of having no ability to determine how many applications will be received.	M	Front load the DO consultation process by developing Asset Plans.

<b>Customer</b>	Due to the pressure on services to respond to consultation this can result on delays on process planning applications.	M	Front load the DO consultation process by developing Asset Plans.
<b>Environment</b>	None		
<b>Technology</b>	None		
<b>Reputational</b>	Due to the pressure on services to respond to consultation this can result on delays on process planning applications.	M	Front load the DO consultation process by developing Asset Plans.

## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	LOIP Stretch Outcome 01 - The Developer Obligations process is intrinsically linked to the efficient processing of planning applications. This in turn supports the growth of our economy in a more sustainable and planned way and it is the Developer Obligations process which ensures that any deficits in services or infrastructure caused by these developments are met by the developer. This supports the LOIP in trying to meet many of its objectives such as reducing unemployment.
<b>Prosperous People</b>	LOIP Stretch Outcome 11 - Again the Developer Obligation process seeks to secure contributions to support the delivery of Health Care, Education, and Sports and Recreation facilities. This in turn supports many of the LOIP's objectives such as increasing life expectancy, reducing demands on healthcare and increasing educational attainment.
<b>Prosperous Place</b>	LOIP Stretch Outcome 14 - Finally the recommendations within the plan particularly around the Asset Plans will also support the objectives of the LOIP such as increasing active travel.

## Design Principles of Target Operating Model

	<b>Impact of Report</b>
<b>Customer Service Design</b>	The purpose of the report and the subsequent asset plans is to improve the customer experience. This will be done by providing more clarity and transparency and providing a self-service facility to future applicants through the planning process.
<b>Organisational Design</b>	By providing a clear template updated on set timescales, the asset plans aim to reduce the pressure on services which the planning service can cause.
<b>Governance</b>	Through amendments to service design as detailed above it is proposed to give greater oversight and clarity on decision making powers at all levels. There will be clear path from the Developer Obligations Team Leader, through the Working Group to the Capital Board and on to Committee.
<b>Workforce</b>	Again the purpose of the Asset Plans is to front load the DO process reducing work load on officers.
<b>Process Design</b>	This is the first stage in an ongoing process of service design. This stage, the creation of asset plans, is designed to reduce the workload of the DO Team Leader and the relevant officers in each service which feed into the process. In parallel to this the governance process is also being examined. The next stages will focus on digitisation the elements of the process which are not currently done electronically and critically looking at the systems in place for the other elements.
<b>Technology</b>	While not part of this report the next stage of reviewing the DO process once the asset plans are approved, is to digitise the completions process and make the asset plans digital.
<b>Partnerships and Alliances</b>	Partner groups such as Sport Aberdeen and the NHS are and will continue to be heavily involved in the process.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	Completed no impact identified.

<b>Data Protection Impact Assessment</b>	Not required Public consultation will follow Council procedures and the Asset Plans will only hold publicly available information.
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not applicable

## **9. BACKGROUND PAPERS**

- A. Planning Circular 3/2012: Planning obligations and good neighbour agreements
- B. Town and Country Planning (Scotland) Act 1997
- C. Planning (Scotland) Act 2019

## **10. APPENDICES (if applicable)**

- A. Draft Asset Plan Template

## **11. REPORT AUTHOR CONTACT DETAILS**

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