

South Ayrshire Council

Report by Director of Housing, Operations and Development  
to Service and Partnerships Performance Panel  
of 20 August 2024

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**Subject: Developer Contributions Update Relative to Planning Permissions (2023/2024)**

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**1. Purpose**

- 1.1 The purpose of this report is to provide an update to Panel on the Developer contributions, obtained through legal agreements, gathered and utilised during the period 2023/2024.

**2. Recommendation**

- 2.1 **It is recommended that the Panel notes the developer contributions collected from developers relative to their Planning Permissions and utilised to mitigate the impact of their development within the reporting period April 2023 to March 2024;**

**3. Background**

- 3.1 As Members will be aware, when considering planning applications the Council can enter into a legal agreement with a developer, requiring them to make a financial contribution to mitigate the impact of their development
- 3.2 The Leadership Panel on 18 January 2022, approved the reporting and governance processes for the monitoring of developer contributions. Panel agreed that the service would provide a report to Cabinet on a six-monthly basis on developer contributions received and spent. This decision was subsequently amended to require a report to be presented to the Service and Performance Panel.
- 3.3 It is noted that the funds gathered from developer contributions are held in a ledger account specifically identified as developer contributions. These contributions require to be utilised for the delivery of identified Capital projects to mitigate the impact of the ongoing housing developments.

**4. Proposals**

***Activity during Reporting Period***

- 4.1 The information provided in Table 1 details the financial contributions received through legal agreements of each development for this reporting period (2023-24), the expenditure from each development and the net balance as at 1 March 2024.

**Table 1 Developer Contributions Received and Spent 2023-24**

Site	Income	Expenditure	Balance
Greenan	£479,228.54	£550,650.39	£5,899,028.73
North East Troon	£423,433.21	£390,516.07	£2,152,175.88
Monkton	£291,959.16	£22,015	£873,611.28
Symington	Nil	£3,054	£16,098.16
<b>Total</b>	<b>£1,194,620.91</b>	<b>£966,235.46</b>	<b>£8,940,914.05</b>

- 4.2 Developer’s contribution projects completed in 2023/24 include: the installation of an Outdoor Adult Exercise Equipment Trail on the land beside Struthers Primary in Troon, internal alterations at Struthers Primary to form additional teaching space and construction of a two-classroom extension at Doonfoot Primary.
- 4.3 Projects under development include a four-classroom extension to Struthers Primary and external works at Doonfoot Primary to form additional car parking within the school grounds.
- 4.4 Progress of these Council projects is reported within Quarterly Monitoring Reports to Cabinet. The latest [capital monitoring report](#) was submitted to Cabinet on 18 June 2024.
- 4.5 Legal agreements specify the purpose for which developer contributions require to be set. This is to ensure that contributions are utilised to mitigate the impact of development rather than, for example, the Council utilising the money to invest in improvements that are not related to the development.
- 4.6 Legal agreements also set timescale for when contributions require to be spent. Developer contributions unspent within specified time periods require to be returned to the developer. Planning, Education and Professional Design Services are working together to ensure that the balances noted in Table 1 will be utilised to mitigate the impact of the developer as intended in respective legal agreements. There is a risk that some of the contributions from the Greenan development will not be able to be spent and will require to be returned in 2027/28. This is due to the school rolls for Kyle Academy and St. Johns being lower than projected. In the event that money requires to be returned the interest that the Council has collected on that money also requires to be returned. There is currently no other identified further cases of this risk.

## **5. Legal and Procurement Implications**

- 5.1 Developer contributions require to be spent in accordance with the specific terms of their respective legal agreement. The expenditure in Table 1 accords with relevant legal agreements.
- 5.2 There are no procurement implications arising from this report.

## **6. Financial Implications**

- 6.1 The financial risks identified in paragraph 4.3.4 are being monitored. report. Any specific financial implications relating to the contributions noted will feature as part of the reporting of project spend within the Councils capital programme. Balance of funds carried forward to 2024/25 is £8,940,914.05

## **7. Human Resources Implications**

7.1 There are no immediate human resources implications from this paper.

## **8. Risk**

### **8.1 *Risk Implications of Adopting the Recommendations***

8.1.1 There are no risks associated with adopting the recommendations. Paragraph 4.3.4 identifies a risk of monies collected for Greenan being potentially returned due to the impact of development not currently arising as expected when the contributions were sought.

### **8.2 *Risk Implications of Rejecting the Recommendations***

8.2.1 There is a risk that, if the recommendations are rejected, the transparency of the Developer Contribution process will be negatively impacted.

## **9. Equalities**

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as [Appendix 1](#).

## **10. Sustainable Development Implications**

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy, or strategy.

## **11. Options Appraisal**

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## **12. Link to Council Plan**

12.1 The matters referred to in this report contribute to Priority Two of the Council Plan: South Ayrshire:

- Education and lifelong learning – Everyone benefits from high quality education and lifelong learning and is supported to learn and fulfil their potential;
- Work and economy and housing - Everyone benefits from a local economy that provides opportunities for people and helps our businesses to flourish; and
- Housing – Everyone can find a good quality home that they can afford, that meets their needs and is in an area where they feel safe and connected.

### **13. Results of Consultation**

- 13.1 Consultation has taken place with Councillor Bob Pollock, Portfolio Holder for Economic Development, and Councillor Ian Davis, Portfolio Holder for Finance, Human Resources and ICT, and the contents of this report reflect any feedback provided.

**Background Papers**      **Report to Leadership Panel of 18 January 2022 – [Developer Contribution Governance and Reporting Arrangements](#)**

**Report to Cabinet of 18 June 2024 – [General Services Capital Programme 2023/24: Monitoring Report as at 31 March 2024](#)**

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**Date: 8 August 2024**

**South Ayrshire Council  
Equality Impact Assessment  
Scoping Template**

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: <https://www.south-ayrshire.gov.uk/equalities/impact-assessment.aspx>

Further guidance is available here: <https://www.equalityhumanrights.com/en/publication-download/assessing-impact-and-public-sector-equality-duty-guide-public-authorities/>

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. [FSD Guidance for Public Bodies](#) in respect of the Duty, was published by the Scottish Government in March 2018 and revised in October 2021. See information here: <https://www.gov.scot/publications/fairer-scotland-duty-guidance-public-bodies/>

### 1. Policy details

Policy Title	Developer Contributions Update Relative to Planning Permissions (2023/2024)
Lead Officer (Name/Position/Email)	Craig Iles Service Lead Planning & Building Standards <a href="mailto:craig.iles@south-ayrshire.gov.uk">craig.iles@south-ayrshire.gov.uk</a>

**2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts**

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls & boys	N/A	N/A
Disability	N/A	N/A
Gender Reassignment (Trans/Transgender Identity)	N/A	N/A
Marriage or Civil Partnership	N/A	N/A
Pregnancy and Maternity	N/A	N/A
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	N/A	N/A
Religion or Belief (including lack of belief)	N/A	N/A
Sex – (issues specific to women & men or girls & boys)	N/A	N/A

Sexual Orientation – person’s sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	N/A	N/A
Thematic Groups: Health, Human Rights & Children’s Rights	N/A	N/A

**3. What likely impact will this policy have on people experiencing different kinds of social disadvantage i.e. The Fairer Scotland Duty (This section to be completed for any Strategic Decisions). Consideration must be given particularly to children and families.**

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	N/A	N/A
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	N/A	N/A
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	N/A	N/A
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	N/A	N/A
Socio-economic Background – social class i.e. parent’s education, employment and income	N/A	N/A

**4. Do you have evidence or reason to believe that the policy will support the Council to:**

General Duty and other Equality Themes Consider the ‘Three Key Needs’ of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
<b>Eliminate unlawful discrimination, harassment and victimisation</b>	Low Positive
<b>Advance equality of opportunity</b> between people who share a protected characteristic and those who do not	Low Positive
<b>Foster good relations</b> between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	Low Positive
Increase participation of particular communities or groups in public life	Low Positive
Improve the health and wellbeing of particular communities or groups	Low Positive
Promote the human rights of particular communities or groups	Low Positive
Tackle deprivation faced by particular communities or groups	Low Positive

**5. Summary Assessment**

Is a full Equality Impact Assessment required? (A full Equality Impact Assessment must be carried out if impacts identified as <b>Medium and/or High</b> )	No
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**Rationale for decision:**

Not required as there is no specific impact on communities, groups of people, employees or thematic groups.

**Signed:**        Craig Iles        **Service Lead -Planning & Building Standards**

**Date:** 29<sup>th</sup> April 2024