



CITY DEVELOPMENT PLAN  
Background Paper 12

Delivering Development



## Background Paper 12 Delivering Development

### 1.0 Introduction

- 1.1 Development contributions are now an established element of Glasgow City Council's approach to delivering development, since their first introduction in City Plan 1. This paper sets out the background information used to support the development of CPD Policy 12: Delivering Development.

### 2.0 Scottish Planning Policy

- 2.1 The policy context for development contributions is provided by Circular 3/2012 Planning Obligations and Good Neighbour Agreements. This sets out the policy tests that should be applied when considering whether development contributions may be an appropriate mechanism to use, as follows:

Planning obligations made under section 75 of the Town and Country Planning (Scotland) Act 1997 (as amended) should only be sought where they meet all of the following tests:

- necessary to make the proposed development acceptable in planning terms (paragraph 15)
- serve a planning purpose (paragraph 16) and, where it is possible to identify infrastructure provision requirements in advance, should relate to development plans
- relate to the proposed development either as a direct consequence of the development or arising from the cumulative impact of development in the area (paragraphs 17-19)
- fairly and reasonably relate in scale and kind to the proposed development (paragraphs 20-23)
- be reasonable in all other respects (paragraphs 24-25)

- 2.2 Circular 1/2009 Development Planning states that issues relating to financial or other contributions should be included within policy, rather than supplementary guidance.

### 3.0 City Plan 2

- 3.1 Policies relating to development contributions are included in City Plan 2, relating to:

- (a) Open space and public realm provision – Policy ENV 2 and Development Guide DG/ENV 2.
- (b) Clyde Fastlink – Policy TRANS 8 and Development Guide DG/TRANS 4.

- 3.2 Reference is also made to the need to make provision for physical and community infrastructure in the Community Growth Areas through negotiated legal agreement.

### 4.0 Private Sector Context for Development Contributions

- 4.1 It is clear that circumstances in the development sector have changed considerably since City Plan 2 was adopted in 2009. The significant downturn in the economy has impacted on the development industry, and on how it funds development in particular. Consultation with the house building industry, for example, indicates that the previous model of forward funding provision of infrastructure and other development obligations, on the basis of strong development returns, is much more difficult due to a more restrictive lending environment.

- 4.2 This issue had already been recognised, and responded to by Glasgow City Council, in the way that financial contributions for open space and Fastlink were deferred to site start, and paid in instalments relating to development progress. It was recognised that there was a need, however, to set out a consistent approach to this matter in Supplementary Guidance.

4.3 Nevertheless, there was a clear message from the Scottish Government and the private sector that, given the more challenging economic environment, policies requiring development contributions should be included in development plans only where necessary to allow the development to go forward, and that care should be taken to ensure that their impact on the cash flow of the development was carefully considered.

## 5.0 CDP Main Issues Report

5.1 The Development Obligations policy has been developed in response to the following elements of the City Development Plan for Glasgow Main Issues Report.

MIR Ref	Issue
Issue 2.7	Review of industrial and business areas
Issue 2.8	Protecting existing jobs in industrial and business areas
Issue 3.5	Providing local services and amenities
Issue 4.5	Clyde Fastlink and developer contributions to transport infrastructure
Issue 5.2	Flooding and drainage
Issue 5.3	Green network priorities

## 6.0 City Development Plan Strategy

6.1 In preparing the CDP, consideration was given as to whether the role of development contributions should be expanded, in order to assist with the achievement of the key aims of the Plan's Sustainable Spatial Strategy:

- Help to build new housing, and create places and vibrant town centres to provide a good quality of life in the long term for the City's growing population.
- Shrink the distances that people have to travel to access employment, shopping and leisure opportunities, and provide more sustainable travel options.
- Contribute to the growth of the City economy by providing the right environment for businesses to develop.
- Help to care for Glasgow's historic and green environments, increase the City's resilience to climate change, and reduce energy use.

6.2 The Council aimed to strike a balance between ensuring that development did not have a disproportionate impact on the City's infrastructure and ensuring that Glasgow continued to attract investment.

## 7.0 Proposed Areas for Policy

### Issue 2.7 – Review of Industrial and Business Areas

7.1 The MIR preferred option stated "The Council will undertake a review of the City's industrial and business areas, excluding the SEILs identified in the SDP Proposed Plan."

### Issue 2.8 – Protecting Existing Jobs in Industrial and Business Areas

7.2 The MIR preferred option stated "The Council will investigate potential options for improving those areas on which some industrial and business use is to be retained, including use of planning agreements or masterplanning, and for retaining existing jobs on these sites."

### City Development Plan Response

7.3 The City has 71 industrial and business areas, suitable for development within Classes 4, 5 and 6. Some of which are identified in the SDP as Strategic Economic Investment Locations (SEILs) or as Strategic Industrial and Business Areas in City Plan 2, and are therefore afforded significant protection in policy terms. The remainder are protected as industrial and business areas.

- 7.4 An initial review of these areas was undertaken in 2012, and provided an overview of the quality of the units, the area's accessibility to the road network, occupancy levels, physical environment, and parking or other local issues. The review indicated those areas that should continue to be protected by policy, those where some change would be proposed in the CDP, and those where change was already taking place or might be anticipated. It also made recommendations as to how the area could be improved.
- 7.5 It is acknowledged that there is a need for further analysis of areas where change may be more desirable or likely, in order to identify an appropriate response to the issues relating to individual areas. These issues could include:
- an industrial area which is in high demand, but has no capacity to expand;
  - a poor quality physical environment may be contributing to vacancy or lack of market interest; and
  - an industrial and business designation which is no longer appropriate, but removal of policy protection may impact on employment within the area.
- 7.6 An intention to undertake a further review of Economic Areas is included in the City Development Plan (see Action Programme – CDP 3 Policy Actions). Part of this review will be consideration of the role that planning agreements can play in taking these areas forward, and in setting out developers or landowners obligations where change is proposed.

### **Issue 3.5 – Providing Local Services and Amenities**

- 7.7 The MIR preferred option stated “Develop a new policy approach to secure the provision of local services or community infrastructure in association with new development, where appropriate. The approach will address the most appropriate means of securing community infrastructure in the current economic circumstances.”

### **City Development Plan Response**

- 7.8 In order to ensure that new housing areas have access to a range of facilities, such as shops and community facilities, the CDP specifies that areas of significant new residential development, such as Community Growth Areas, Transformational Regeneration Areas (see Action Programme – CDP 10 City-Wide Spatial Actions, CDP 10 Proposals Actions and CPD 10 Policy Actions) will be subject to a masterplan approach by the Council and the developer to determine the need for appropriate infrastructure. This will form guidance for the developer in preparing a development proposal. In other locations where a masterplan would not be appropriate, the developer will be required to undertake an individual assessment of the requirements of the site.

#### **Local Shops**

- 7.9 The CDP encourages the provision of facilities to meet the daily shopping needs of local residents. Although most areas of the City are relatively well served by convenience shopping, it is considered that it would be appropriate for the applicant to make an assessment of whether the proposed development would be required to make additional provision for shopping.
- 7.10 CDP 4 Network of Centres specifies that significant new housing developments must include provision for new Local Shopping Facilities where any part of the development is more than 800 metres walking distance from existing facilities”. This is considered to be an appropriate threshold to apply to the assessment of deficiencies within the existing urban area. It would also be an appropriate standard against which to measure significant new residential proposals.

## Community Facilities

- 7.11 There will be a need for the applicant to undertake further discussion with appropriate Council services in relation to the need for community facilities across the City, and the means by which developer contributions could deliver on these requirements. The outcome of these discussions will inform the approach taken in relation to the masterplanning of proposals for significant residential development.

### **Issue 4.5 - Clyde Fastlink and Developer Contributions to Transport Infrastructure**

- 7.12 The MIR preferred option was to “give consideration to extending the Fastlink route reservation and developer contribution requirement to include the potential East Route and updating the level of developer contributions by the cost index for road construction. Give consideration to standardising the delayed payment position.”

### **City Development Plan Response**

- 7.13 Funding for the core route of Fastlink (from City Centre to SECC and South Glasgow Hospital) has been provided by the Scottish Government. Contributions have been taken from development within the corridor of this route, and within the proposed extension to the route to the City boundary on the north and south banks of the River Clyde.
- 7.14 Advice from SPT is that it is committed to the delivery of the extended scheme westwards to the boundaries with neighbouring authorities, and that discussions are ongoing on this matter. Current policy and development guidance on the core route to SECC and South Glasgow Hospital, and the extension to the west on the north and south banks of the River Clyde, can therefore be taken through to Supplementary Guidance with minor amendment to reflect a consistent approach to payment of contributions, and updated costs determined by the cost index for road construction (see Action Programme – CDP11 Proposals Actions).
- 7.15 It is understood, however, that there is no similar commitment by SPT to the East route, and this proposal is therefore not included within the City Development Plan.

### **Issue 5.2 – Flooding and Drainage**

- 7.16 The MIR preferred option stated “Meet the requirements of the Flood Risk Management (Scotland) Act 2009 through continuing to work with partners in the MGSDP and delivering its objectives through new or revised policy.”

### **City Development Plan Response**

- 7.17 All development is required to make provision for dealing with surface water drainage. This is usually undertaken within the site, by means of a Sustainable Urban Drainage System (or SUDS). The purpose of introducing a policy requiring development contributions for drainage would be to allow the flexibility for an off site solution, either locally or in a more strategic approach.
- 7.18 It is anticipated that the work of the Metropolitan Glasgow Strategic Drainage Partnership will be beneficial in identifying where there are opportunities for wider solutions that will allow currently constrained development to take place. Surface Water Management Plans will be prepared to address areas of the City affected by surface water management issues, (see Action Programme – CDP 8 Policy Actions). These Plans will consider the role of planning agreements in achieving solutions.

### **Issue 5.3 - Green Network Priorities**

- 7.19 The MIR preferred option stated “Identify priorities for the delivery of green network enhancements through the Open Space Strategy and through work with the Glasgow and the Clyde Valley Green Network Partnership to interpret the priorities in the SDP at a more local level.

### **City Development Plan Response**

- 7.20 The approach taken in City Plan 2 through Policy ENV 2 has been successful in delivering new and improved open spaces in Glasgow as part of development proposals, as well as additional resources to the Council to invest in open space and public realm. Review of the policy has indicated that, while effective, the broad standards for open space provision were not sufficiently sophisticated to match the complexity of the contribution that open space could make to the green network, public access, drainage issues and climate change objectives.
- 7.21 Once the Glasgow Open Space Strategy has been finalised in 2014, it will inform the City Development Plan's approach on this issue (see Action Programme – Supplementary Guidance Actions). This will set out open space standards for the City, and identify priorities for new investment.

### **Areas of Major Change**

- 7.22 Aside from the above areas, which have specific coverage in the Proposed Plan, the policy also includes the provision that individual assessments of the need for development contributions should be undertaken in areas where significant change is anticipated or proposed within the life of the Plan. It is proposed that the Council will specify the circumstances in which development contributions will be sought, through the brief for a master plan, action plan or strategy.
- 7.23 This approach would apply in the following locations:
- Network of Centres, Strategic Development Framework (SDF) Areas, River Clyde Development Corridor SDF, Local Development Framework Areas (see Action Programme - City-Wide Spatial Actions).

## **8.0 Delivering Development Supplementary Guidance**

- 8.1 Supplementary Guidance will be prepared on the issues addressed in this paper, and will provide detailed advice on:
- a. The nature and scale of the development contribution;
  - b. The locations where this would apply;
  - c. The methodology used to calculate any financial or other contribution;
  - d. The approach towards concluding legal agreements; and
  - e. Timing and phasing of payments.