

Agenda Item	9
Report No	ECI/06/2023

HIGHLAND COUNCIL

Committee: Economy and Infrastructure

Date: 2 February 2023

Report Title: Developer Contributions

Report By: Executive Chief Officer Infrastructure, Environment & Economy

1 Purpose/Executive Summary

- 1.1 This report aims to ensure that the Council is securing the appropriate amount of developer contributions towards the delivery of infrastructure to create high quality development and communities. It presents feedback from a review of the amounts received for different types of infrastructure and sets out a number of suggested improvements to the methodology for identifying developer contributions and the process for securing them and coordinating these with the Council's capital programme and other funding streams.
- 1.2 A more comprehensive review of developer contributions policy and guidance will form part of the work to prepare a new single Highland Local Development Plan as set out in a separate report to this Committee (Development Plan Scheme and NPF4). This work will ensure compatibility of our policies with new national planning policies set out in Scottish Government's anticipated National Planning Framework 4. This review will include an update of the parent policy in the adopted Highland-wide Local Development Plan and the associated Developer Contributions Supplementary Guidance. It should also be noted that a separate report on the mitigation and benefits provided by renewables development will be subject to a separate paper to a future Committee.

2 Recommendations

- 2.1 Members are asked to:-
 - i. **Note** the findings of the benchmarking review of developer contributions in Highland at section 4 and Appendix 1;
 - ii. **Agree** the protocol for identifying developer contributions at Appendix 2;
 - iii. **Agree** the Terms of Reference for the Developer Contributions Action Group at Appendix 3;

- iv. **Consider** and agree the steps to coordinate infrastructure delivery through the Developer Contributions Action Group and the Capital Programme Board; and
- v. **Consider** and agree the full list of proposed actions and next steps in Section 6.

3 Implications

- 3.1 **Resource** – the report aims to ensure that fair and appropriate developer contributions are sought for the delivery of infrastructure and in turn to avoid any undue impact on the Council's Capital Programme and other funding sources.
- 3.2 **Legal** – No direct implications
- 3.3 **Community (Equality, Poverty, Rural and Island)** – Developer Contributions assist in providing access to the essential services and facilities required to create vibrant and sustainable communities.
- 3.4 **Climate Change / Carbon Clever** – Decisions on the mitigation of development impacts and the supporting infrastructure required should contribute to taking action on climate and ecological emergency and the transition to net zero.
- 3.5 **Risk** – Government legislation needs to be carefully followed to ensure that developer contributions can be secured and utilised. Developer contributions are intended to mitigate any demonstrable impacts of new development on services and infrastructure, not to address historic issues or be used as a discretionary fund. Failure to follow this legislation could increase the risk of developers being able to challenge the payment of contributions (including retrospectively).
- 3.6 **Gaelic** – No direct implications.

4 Overview of current arrangements (Rec 1 & 2)

- 4.1 With the existing DCSG having been adopted over 4 years ago (November 2018) a review of the methodology and process for securing developer contributions has been undertaken to ensure that the Council and partners are securing the appropriate amounts to deliver infrastructure required to make high quality development and communities. The main task has been a benchmarking review of the amounts secured for different types of infrastructure or service and how this compares to other local authorities in Scotland. The findings of the review are enclosed at **Appendix 1** with a summary set out in paragraph 4.2 below. Officers have also carried out a review of the arrangements for securing developer contributions and coordinating these with the Council's capital programme and other funding streams. This is set out at Section 5 with actions and next steps at Section 6.
- 4.2 **Benchmarking Review**

The full findings of the Benchmarking Review of Local Authority Contributions and rates can be found in **Appendix 1**, and can be summarised as follows:-

- a) **General** - Our Supplementary Guidance is being applied fairly and consistently throughout Highland, while still allowing negotiations with developers in order to deliver the appropriate level of infrastructure required arising from development. Index linking is helping to ensure that contributions sought are as close as possible to inflation although it has been acknowledged that the baseline costs for some facilities will need to be reviewed including education facilities (as proposed in the next steps in Section 6). Contributions are being spent in a timeous fashion, with the majority of contributions held long-term by The Council related to long-term school extension contributions. It is also noted that [Circular 3/2012 Planning Obligations](#) still applies which sets clear parameters for the use of developer contributions related to development. Further improvements to the process for identifying, managing and coordinating contributions are set out in Section 5 and 6.
- b) Our approach to collecting contributions on **1-3 house developments** is something that not many other Authorities have adopted, with most only taking contributions on 4+ housing sites. There are, however, some LA's who take full level of contributions for 1-3 house developments. There is some concern that discounting in Highland leads to a lack of consistency and fairness in addressing the impacts that each new home can have. It is intended to reduce and ultimately remove the discounting to achieve consistency in the levels of contributions sought for all scales of development. However, it is felt that this should only be progressed through a full review of the DCSG and the new Highland Local Development Plan that is required to be prepared after publication of NPF4. Details of how this will be carried out are set out in the separate report to this committee on DPS and NPF4.
- c) With regards to **Education** contributions, Highland follows the same recommended policy guidelines as other Local Authorities and adopts a broadly similar school roll forecasting methodology. As outlined in Appendix 1, it is proposed that the various categories and levels of Developer Contributions should be reviewed.
- d) **Transport infrastructure** contributions have typically been focussed on mitigating car-based impacts from development with **active travel** provision centred on improving on-site facilities – such as bike parking – and less on the wider strategic active travel networks that are required to enable a shift in modal choice and travel behaviour. Emerging transport policies and strategy are strengthening our approach by identifying all transport requirements, including active travel networks, and the developer contributions required to deliver them.
- e) **Roads** Infrastructure Contributions are also collected in line with the policies of other Local Authorities, and the use of Transport Impact Assessments for calculating contribution levels is standard. The majority of Local Authorities, however, appear to have a far larger suite of Road Infrastructure Projects that they are seeking contributions for compared to Highland, and this is based on the use of “contribution zones”, linking areas of development to the need for improvement in Roads Infrastructure and public transport provision.

The Highland Council's DCSG includes an option to generate cumulative transport contributions, but this has not been actively used as yet. Adopting this approach could allow The Council to improve roads infrastructure on a more local scale to mitigate the impact of all development, rather than focusing solely on large-scale roads improvements

- f) **Public Transport** contributions are sought for large-scale developments in order to secure relevant levels of service where this cannot be achieved commercially. Typically, this would be where new routes are needed or additional buses are needed to maintain or enhance frequencies on existing routes. These contributions are for limited time periods as it is hoped that once travel patterns become established, the enhanced routes would achieve commercial viability. Impacts on the need for school transport are also addressed, and contributions sought where relevant. A cumulative approach for smaller-scale development isn't followed, meaning that increased strain on existing services is more likely without contributions being sought to mitigate this impact. However, there are significant funding streams for improving public transport infrastructure in certain locations through the Bus Partnership Fund aimed at reducing congestion. These may be able to complement developer contributions and, in turn, make a major contribution to the robust transport strategy emerging for Highland. This puts us in a strong position to identify relevant and proportionate contributions from all developments where an impact on public transport services occurs.
- g) The level of **Community Infrastructure** contributions sought by Highland is lower than in most other Authorities. The creation of a robust asset management plan coupled with increased communication and closer working with community groups would allow us to collect contributions for a far wider range of community facilities that would benefit all communities where development is taking place. In response to a call for clarification on how community facilities can be directed/spent locally, a Developer Contributions protocol has been prepared as part of a new Terms of Reference that confirms the arrangements for agreeing contributions.
- h) **Open Space** provision, green network provision and Active Travel contributions in other Local Authorities appear to have been given even more attention in recent Supplementary Guidance from other Local Authorities, whereas our approach currently has a more bespoke and ad-hoc approach to these types of contribution. This may, however, be due to it being easier to provide on-site provisions in an area such as Highland
- i) The **Public Art** Supplementary Guidance defines public art as an integral part of the overall design of a development, as opposed to a single piece of 'artwork'. The majority of developments provide on-site Public Art provision in compliance with this approach. It has however been clear that this process has been patchy in terms of success with no objective basis for maintaining contributions. It has therefore been mooted that the Council put in place a proposal for a "Culture Fund" that will allow a more effective and co-ordinated approach to contributions – along the lines of the "Percent for Art" proposals that were originally put in place not just in Highland but throughout other parts of the country.

This would effectively replace the public art contributions requirement with a flat rate level based on a percentage of the development value, that will then be available to fund local projects as determined by the Council. It is proposed that a detailed review on this element is prepared for the next E&I Committee, setting out the potential advantages, comparisons with such schemes operating elsewhere, and synergy with the strategic approach set out in para 4.4 (which is part of the new Planning Act).

- j) **Ecological** – The review of the Inner Moray Firth Local Development Plan has introduced a policy for nature protection and enhancement, and this is aligned with and supported by a new national Biodiversity policy in NPF4. It is anticipated the emerging IMFLDP policy will be rolled out Highland-wide when the new HLDP is prepared.

4.3 The above indicates that the Developer Contributions policy and guidance is operating effectively and is securing funding that contributes to necessary infrastructure. However, the review has identified some opportunities for updating the methodology for certain requirements and the process for identifying and coordinating such requirements. In light of this review, a number of suggestions are set out in Section 6 in advance of a full review of the developer contributions policy and supplementary guidance.

4.4 In addition to the internal review, Part 5 of the Planning (Scotland) Act 2019 provides an optional power for the Scottish Government to introduce an Infrastructure Levy within Scotland. To date, no further progress has been made in working up the detail of how this will be implemented but it could mirror the approach in England of local authorities levying a charge on new development in their area to help deliver strategic infrastructure improvements and revenue support. If this new national approach is taken forward, then the Developer Contributions policy will provide an opportunity to explore this source of potential additional funding. This is potentially a very significant change, and it is intended to carry out exploratory work on how this might work in Highland, with an early report to the next E&I Committee, particularly in the context of whether it could be brought forward ahead of the base legislation being enacted.

5 Governance

5.1 To ensure the process and working arrangements for identifying and securing appropriate mitigation for new development remain flexible and responsive a review of existing working arrangements has been carried out. This has included a review of the Developer Contributions Action Group that has been in place since 2018.

5.2 As a result, two key actions and improvements are presented for consideration and approval. The first is a more formal protocol for developer contributions enclosed at **Appendix 2**. The extract below highlights the main steps for identifying the contributions and mitigation requirements that relate to a specific area and/or development:-

Protocol

1. Communities and partners are encouraged to identify requirements for future development and/or their place during the preparation of a Local Development Plan (LDP) and any Area Plan (typically led by the public sector) – including placemaking priorities and place and/or site-specific infrastructure requirements;
2. Local Development Plans (LDPs), LDP Delivery Programme, Development Briefs and Masterplans therefore identify upfront requirements;
3. Alongside, communities are encouraged to prepare their own Local Place Plan to identify the unique requirements and ambitions for their community;
4. At application or pre-application stage Case Officer identifies requirements based on feedback from specialist officers and representations on the planning application etc, including requirements from LDP, Delivery Programme, Dev Brief, Place Plan, Local Place Plan as necessary;
5. Determination of application confirms appropriate mitigation; by the Case Officer if determined by delegation; or NPAC/SPAC would provide an opportunity for Members to highlight alternative mitigation methods; and
6. In circumstances where alternative mitigation is flagged, or where mitigation cannot be agreed, or where spend hasn't been identified – Area Committee given chance to agree appropriate mitigation, with officer input as outlined above.

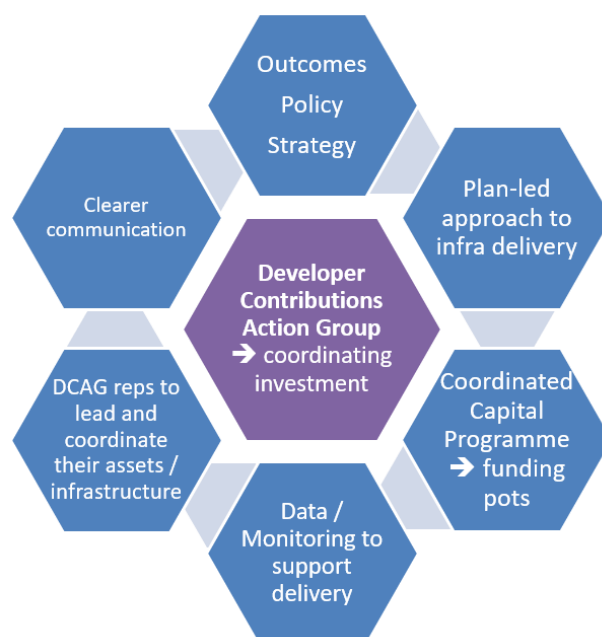
5.3 The protocol highlights the opportunities already available to stakeholders to inform how what improvements should be made as part - or as a result - of a particular development. The recognised officers/advisers for different types of infrastructure will also continue to play an important role in providing advice on mitigation requirements for the development plans and planning applications. Local Place Plans now also provide an opportunity for communities to register their collective priorities and ambitions for the future. A further notable addition to this protocol is the clarification over the role of Local Committees in considering mitigation and infrastructure requirements (step 6), with input from planning and specialist officers. In such instances detailed advice will continue to be provided by the case officer and advisers on each relevant infrastructure type to ensure that decisions made are in line with the legislation on developer contributions.

5.4 To supplement the protocol above, it is proposed to improve elements of how the Developer Contributions Action Group operates. The DCAG has been operating in its current form since 2018 and the emphasis is currently on the collection of contributions for different types of infrastructure and enabling the delivery of essential infrastructure and services. A review of how the group is operating concluded:-

- a) there is an opportunity to better utilise annual housing land audits and forecasts to create forecasts for the amount of developer contributions that are likely to be received in different areas of Highland;
- b) using this data, there is an opportunity for to create a clearer strategy for each type of infrastructure, and inform prioritisation and decision making; and
- c) there is an opportunity to evolve the DCAG representatives and meetings to focus more on asset strategy, planning and the coordination of developer contributions with other sources of funding and income.

- 5.5 An illustration of the proposed approach, and the benefits this would provide, is set out below. Taking account of ongoing Capital Programme reviews, such an approach is considered to have potential to bring financial savings by ensuring that infrastructure investments are aligned to future development as well as to other funding opportunities, but also create a stronger rationale for seeking other investment.
- 5.6 These findings have been presented to and discussed with the DCAG who have agreed to the principle of adapting their role and remit (and which is illustrated in the diagram below). The Terms of Reference enclosed at **Appendix 3** reflects these enhanced duties and is presented for consideration and approval. Alongside the other actions set out in this report the Terms of Reference and Developer Contributions Protocol are aimed at better ensuring the delivery of infrastructure and high-quality development and communities.

Illustration of the DCAG's role and responsibilities



6 Actions and Next Steps

- 6.1 In light of the benchmarking review in Section 4 and **Appendix 1**, and the review of governance arrangements for developer contributions outlined in Section 5, a number of actions are proposed to update the Council's approach:-
- 1) to take account of the benchmarking review in section 4 and Appendix 1 and update the process for identifying contributions, in particular:-
 - a. carry out a review of the current approach to calculating Education Developer Contributions as outlined in bullet point 10 in **Appendix 1**;
 - b. increase focus on collecting contributions for the full range of transport infrastructure, including the Active Travel network and public transport, in line with emerging policies, strategies and funding opportunities including revenue streams for public transport;
 - c. applying the adopted policy of "contribution zones" with respect to transport infrastructure projects across Highland; and

- d. ensuring that the protocol is being followed to identify the range of potential Community Infrastructure for specific developments and places.
- 2) to agree the Developer Contributions Protocol; and
- 3) to agree the Terms of Reference confirming the responsibilities of representatives of the Developer Contributions Action Group, including a corporate responsibility for aligning investment with the Capital Programme and other funding sources.

6.2 As outlined earlier in the report, a more comprehensive review of developer contributions policy and guidance will form part of the work to prepare a new single Highland Local Development Plan, as set out in a separate report to this Committee (Development Plan Scheme and NPF4).

This longer-term review will include an update of the parent policy in the adopted Highland-wide Local Development Plan and the associated Developer Contributions Supplementary Guidance (including discounting for 1-3 house developments), ensuring compatibility with the anticipated National Planning Framework 4, and any other national infrastructure planning initiatives. It should also be noted that a separate report on the mitigation and benefits provided by renewables development will be subject to a separate paper to a future Committee.

Designation: Executive Chief Officer Infrastructure, Environment & Economy

Date: December 2022

Authors: Scott Dalgarno, Development Plans Manager,
Ross Lindsay, Developer Contributions Officer
Robert Campbell, Service Lead-Cap Planning & Est Strategy
Gavin Allday, Principal Estates Officer

Benchmarking Review of Developer Contributions in Scotland**General**

1. In general, the current DCSG is being applied consistently to all levels of development throughout Highland. Education contributions are collected on all schools predicted to require expansion at the relevant rate, and 1-3 house developments now contribute a considerable amount to these projects; contributions that would not have been collected prior to the adoption of DCSG. The level of contributions sought, however, is considerably lower than quite a few other Local Authorities, and perhaps should be investigated and reviewed.
2. While some LA's collect contributions starting at 1-house developments, the majority tend to apply their guidance to developments of more than 4 homes (or more than 10 homes in some instances). With our discounted rates for 1-3 homes, we are still ahead of the curve with regards to education contributions for small developments, but this could also be expanded upon. Some Members have flagged that the discounting in Highland leads to a lack of consistency and fairness in addressing the impacts that each new home can have. In direct response, it is intended to reduce and ultimately remove the discounting but only through a full review of the DCSG and the new Highland Local Development Plan that is required to be prepared after publication of NPF4. Details of how this will be carried out are set out in the separate report to this committee on DPS and NPF4. While we have taken £759,690 In education contributions from 1-3 house developments since the introduction of the Supplementary Guidance, this could have been closer to £1,352,000 If no discount was applied.

Education

3. There are a range of different approaches to the level of Education contributions adopted by the various Scottish Local Authorities.
4. 10 Local Authorities collect contributions at a higher rate for both Primary and Secondary Education contributions compared to Highland.
5. 5 Local Authorities collect contributions at a slightly lower rate for both Primary and Secondary Education contributions compared to Highland.
6. 6 Local Authorities collect contributions at a similar rate for both Primary and Secondary Education contributions compared to Highland.
7. The remaining Local Authorities use a bespoke calculation method based on various factors when determining Education contributions.

8. Most of the Local Authorities that collect Education contributions at a similar level or higher than Highland implements a “flat rate” approach to contributions, i.e., the rate is the same irrespective of the type of capital investment project that is required, as opposed to the 3 different categories of contributions that apply in Highland (one-classroom, two-classroom and major extension/new build).
9. The school roll forecasting methodology used by Highland is continuously being refined to improve the accuracy of the published information, but it remains broadly in line with that used by other Local Authorities. Housing Land Audit data is incorporated into the annual update of the 15-Year School Roll Forecasts, which in turn are used to inform strategic Capital Investment decision making and trigger Developer Contribution liability. Clarification of required contributions, including any deviations from forecasted Developer Contribution triggers, are published in the Delivery Programme within the relevant Area Local Development Plan.
10. Although the approach currently adopted by Highland to establish the requirement for, and level of, Developer Contributions is generally consistent with that followed by other Local Authorities, it is recommended that a review of this approach is undertaken. It is proposed that the various categories of contributions are considered, and the levels of contributions updated to take account of current construction costs and building performance targets and requirements.

Transport

11. Contributions are typically focussed on mitigating car-based impacts from development with active travel provision centred on improving on-site facilities – such as bike parking – and less on the wider strategic active travel networks that are required to enable a shift in modal choice and travel behaviour. Emerging transport policies and strategy are strengthening our approach by identifying active travel transport networks and the developer contributions required to deliver them.
12. Transport Infrastructure contributions are sought for the major roads infrastructure projects in Local Plans, but it would appear other LA’s have a far larger suite of Roads Infrastructure Projects that they collect contributions for. Transport Zones are established in many other LAs, and these are used to calculate a cumulative transport infrastructure contribution. The Highland Council’s DCSG includes an option to generate cumulative transport contributions, but this has not been actively used as yet. Adopting this approach could allow The Council to improve roads infrastructure on a more local scale to mitigate the impact of all development, rather than focusing solely on large-scale roads improvements
13. Increased focus on Active Travel contributions is clear from last few years, however we still appear to lag behind other LAs in the clarity and number of Active Travel projects we could be collecting towards.

14. Public Transport and Sustainable Travel contributions are sought from the majority of Local Authorities and applied wherever it is felt there is need for improvements due to development. While Highland collect Public Transport contributions for large sites that will have a considerable impact on demand for Public Transport on its own, a cumulative approach would ensure that clusters of smaller developments also contribute, as these will have a similar impact on shared Public Transport Services.
15. It has been noted by members of our Transport Team that they can be unaware of some developments that will have an impact on public transport. Improved communication between our Planning Team and Transport Team would allow the impact of all developments be considered with regards to Public Transport and allow The Council to collect relevant contributions that may currently be missed.
16. Other external funding for Public Transport should be used as a guide to help more accurately identify where public transport contributions should be collected. If other funding is sufficient to provide the required service, contributions should not be sought. This, alongside the use of contribution zones for public transport, should allow contributions to be sought and spent only where required, and address the whole suite of public transport provision throughout Highland.

Community Infrastructure

17. While our DCSG allows us to collect Community Facilities contributions at a rate of £1,009 per unit, the lack of a list of viable community facilities projects means that we are losing out on a lot of potential contributions compared to other LAs. Interaction with Community Groups throughout Highland has highlighted numerous projects that could potentially qualify for Developer Contributions, to the point where it could be expected that every residential development of any size should be contributing to Community Facility improvements. New protocols proposed through The Council's Developer Contribution Action Group Terms of Reference should hopefully clarify where and how communities can spend Developer Contributions and allow better communication to allow Community Groups to propose potential new community infrastructure projects.
18. The DCSG allows for open space and public art contributions to be sought when not delivered on site, but this is generally provided on-site by most developers. Where public art contributions are sought, they must be relevant to the specific development area, identify a need for public art in that area, and can only be spent on projects where a link to the development exists. It does appear that some Local Authorities have more of a focus on contributions towards public art than we have in Highland, but this may be a result of the makeup of the Highlands lending itself to more on-site provision than other Local Authority Areas.
19. The majority of LA's have provisions for seeking contributions towards healthcare facilities, including Doctors Surgeries and Dentists. This is not something that we currently include in our DCSG and could be reviewed if it was felt to be worthwhile.

Protocol for Identifying Developer Contributions
Highland Council – January 2023

Developer requirements for planning applications and pre-application enquiries are determined using the following:-

- the Local Development Plan
- Development Briefs
- the LDP Delivery Programme
- the Developer Contributions Supplementary Guidance
- consultation responses for planning applications

Where a deficiency in services or infrastructure is identified, the case officer works in consultation with specialist officers or partners for each type of infrastructure to confirm whether contributions need to be sought. Any contributions sought must comply with national legislation for Developer Contributions as set out in Circular 3/2012 Planning Obligations. Through the determination of the application, and in combination with the specialist contacts, the case officer negotiates on behalf of the Council, the appropriate mitigation to be provided or for financial contributions to be made.

The Council collects contributions for specific known projects through developer contribution 'pots' and these are monitored regularly. The specialist contacts on each type of contribution also have a role in coordinating any developer contributions, along with any other funding sources, to enable delivery of infrastructure. This activity is monitored through the Developer Contributions Action Group.

Where there are developer contribution pots for projects that do not come forward, or are identified as being no longer required, there may be scope for those contributions to be re-directed to a project that provides suitable mitigation/equivalent benefit for the community concerned. In these instances, the relevant Area Committee will be presented with a list of projects that are considered to be eligible. Incompatible projects will not be presented for consideration. The role of the Area Committee will be to agree the distribution of such contributions across eligible projects. Officers will be present to provide advice.

Protocol

1. Communities and partners are encouraged to identify requirements for future development and/or their place during the preparation of a Local Development Plan (LDP) and any Area Plan (typically led by the public sector) – including placemaking priorities and place and/or site-specific infrastructure requirements;
2. Local Development Plans (LDPs), LDP Delivery Programme, Development Briefs and Masterplans therefore identify upfront requirements;
3. Alongside, communities are encouraged to prepare their own Local Place Plan to identify the unique requirements and ambitions for their community;

4. At application or pre-application stage Case Officer identifies requirements based on feedback from specialist officers and representations on the planning application etc, including requirements from LDP, Delivery Programme, Dev Brief, Place Plan, Local Place Plan as necessary;
5. Determination of application confirms appropriate mitigation; by the Case Officer if determined by delegation; or NPAC/SPAC would provide an opportunity for Members to highlight alternative mitigation methods; and
6. In circumstances where alternative mitigation is flagged, or where mitigation can't be agreed, or where spend hasn't been identified – Area Committee given chance to agree appropriate mitigation, with officer input as outlined above.

Highland Council - Developer Contributions Action Group¹
Terms of reference – January 2023

Purpose / role of DCAG:-

- Asset owners to better coordinate the planning and delivery of infrastructure associated with development.
- The broad purpose / role of DCAG is to monitor the collection and spend of infrastructure contributions secured by the Highland Council² in accordance with its Developer Contributions Supplementary Guidance, adopted Nov 2018 (or any amendment thereof)³.
- DCAG was established in April 2018 as a replacement of the previous Developer Contributions Working Group.
- The aims / responsibilities of DCAG are to establish and keep under review a system that allows:-
 - infrastructure contributions to be allocated to discrete project pots;
 - beneficiaries⁴ to claim and draw down infrastructure contributions for infrastructure projects;
 - decisions on Type 1 claims⁵ to be monitored (“delegated decisions”);
 - Type 2 claims⁶ to be determined by the appropriate Area Committee and monitored (“non-delegated decisions”);
 - unspent infrastructure contributions to be repaid following expiry of the period which THC is permitted to hold the said infrastructure contributions.

¹ “DCAG”

² “THC”

³ https://www.highland.gov.uk/downloads/file/19530/dcsg_finalised_committee_version_august_2018

⁴ Beneficiaries will mainly be THC Services but may also include organisations external to THC. If a claim is made by an external organisation, a sub-group of DCAG members from the relevant departments within the Council will convene separately to discuss if the project meets Contribution requirements, is suitably progressed and is viable before taking this to the appropriate Area Committee to decide on the outcome.

⁵ Type 1 claims are requests to draw down infrastructure contributions for a project that falls directly within the ambit of the project pot. Type 1 claims are delegated to the DCO to determine in consultation with the Chair.

⁶ Type 2 claims are requests to draw down infrastructure contributions for a project where there is no specific named project attached to the contribution and there is potentially more than one suitable project which falls within the ambit of the project pot or that the DCO or Chair is not satisfied that a project falls within the ambit of the project pot. These requests may come from Council staff or from external Community Organisations.

Membership:-

- Membership of DCAG is open to representatives of THC Services, or HC ALOs, on whose behalf infrastructure contributions are secured through the planning system. In addition, the Chair (see below) and DCO (see below) are members of the DCAG.
- The Chair may appoint advisers to attend meetings of DCAG, these advisers are not members of DCAG and do not determine claims.
- There are no restrictions on the number of members of DCAG but generally only one representative of each major relevant function of current THC Service departments will be expected to attend DCAG meetings.
- Representatives of organisations external to THC may be invited by the Chair to be members of DCAG if infrastructure contributions are secured through the planning system on their behalf e.g., Highlife Highland.
- The period of membership of DCAG is unlimited. If any member wishes to step down from DCAG, written notice must be given to the Chair one month in advance of the next scheduled meeting of DCAG.

Accountability:-

- Members of DCAG are responsible for representing their service in providing advice to the DCAG and reporting back on activities and decisions of the DCO, DCAG and the Area Committees relating to their Service to the Executive Chief Officer of their Service / Head of Service (as appropriate).
- The Minutes of DCAG meetings will be reported to all DCAG members for noting.
- Delegated Decisions will be reported to DCAG for noting and issued via email to the relevant Area Committee members for information.

Review:-

- DCAG will review the relevance and value of its work and these terms of reference every 12 months or more / less frequently as the membership of DCAG by simple majority agrees is necessary.

Working methods / ways of working:-

- The method / approach to working to be adopted by DCAG will be collaborative.
- Delegated decisions will be taken by the DCO in consultation with the Chair and reported to DCAG and the relevant Area Committee / City of Inverness Committee (as appropriate) for noting.
- Non-delegated decisions will be taken by the relevant Area Committee. Claims will be reported by the DCO in the name of the Chair.
- DCAG will convene a sub-group(s) should the Chair or majority of the membership decide a sub-group is necessary to fulfil the aims / responsibilities of DCAG.
- A working link should be created between DCAG and Capital Programme Board

Meetings:-

- 4 meetings will be held each year, schedules permitting, and they will be held in THC Headquarters, Glenurquhart Road, Inverness (unless alternative arrangements are intimated to the membership).
- The Head of Planning and Environment (or a substitute appointed by them) will chair the meetings (“the Chair”).
- Invites will be issued by the Developer Contributions Officer (or a substitute appointed by him) (“the DCO”).
- Topics for the agenda will be generated by the DCO with the Chair’s agreement.
- The DCO will circulate all meeting papers by email, in advance of the next scheduled meeting.
- The format of meetings will be discussions on each agenda item lead by the Chair.
- Non-members may be invited to group meetings at the request of the Chair.
- The DCO will provide secretariat for DCAG.

Sharing of information and resources (including confidential materials):-

- DCAG information and resources will be shared with the membership using SharePoint. Requests to access SharePoint will be actioned by the DCO.
- Any confidential materials must be classified as such and must not be shared beyond the membership. Any confidentiality breaches must be brought to the attention of the Chair and DCO as soon as possible after a breach is identified.

Illustration of the DCAG’s role and responsibilities

