

## **3b Strategic Transport Fund Update**

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### **o Purpose of Report**

The purpose of this report is to update Board members on progress in reviewing the STF guidance and on payments received and agreements made in relation to the Strategic Transport Fund to date.

A response to the proposal from the developers at Chapelton of Elsick in Aberdeenshire to modify their planning obligation in relation to the STF is also included for approval.

### **o Background**

The Strategic Development Planning Authority adopted the supplementary guidance 'Delivering Identified Projects through a Strategic Transport Fund' in December 2011. This guidance is non-statutory supplementary guidance in support of the Aberdeen City and Shire Structure Plan 2009 and was adopted with the intention that it would be reviewed and adopted as statutory guidance as part of the new Strategic Development Plan. The Aberdeen City and Shire Strategic Development Plan was adopted in March 2014 and the SDPA agreed in June 2014 that in the interim, the current non-statutory guidance will continue to be used.

A draft of the revised guidance was put out for consultation on 12<sup>th</sup> December for a period of 8 weeks, closing on 6<sup>th</sup> February 2015. Nestrans has been assisting the SDPA in commissioning further clarification of the Cumulative Transport Appraisal modelling work and in the review and development of the revised guidance.

### **o Review of the STF Guidance**

At its meeting on the 10<sup>th</sup> December 2014 the SDPA approved the draft revised Supplementary Guidance for consultation. This revised guidance takes into account the Reporters findings on the Examination of the SDP and experience of implementing the guidance over the last 2½ years.

The Scottish Government Reporters supported the concept of the STF, recognising its significance and its objective of unlocking the delivery of the SDP's spatial strategy and delivery of significant levels of growth. They did however highlight a number of points for consideration as part of the review. It was suggested that the relationship between the development supplying the contribution and the infrastructure was not sufficiently clear or direct. Some additional modelling work was commissioned to address this issue and represent the evidence provided in the Cumulative Transport Appraisal to better demonstrate this link.

One of the policy tests of the Scottish Government's Circular 3/2012 is that planning obligations must be related in scale and kind to the proposed development. Consideration was given to splitting the fund into two zones where contributions could be reduced in the outer zone – however, it was concluded that the evidence does not support such an approach or provide information to justify boundaries or percentage discounts. Adopting such an approach would also have the consequence of increasing contributions elsewhere to ensure that the contributions balanced with the required expenditure.

An additional paragraph has been added to the draft revised guidance which explicitly addresses the issue of site viability. It puts the issue in the context of the site as a whole and the package of developer obligations required highlighting that there may be scope for negotiation on the payment schedules if viability assessments show this is necessary. The focus however remains on developers factoring in their contributions to the STF into development appraisals at an early stage.

Other amendments to the guidance have reduced its length somewhat as well as making it more comprehensive and improving the clarity in terms of the guidance it provides to both developers and the two councils who will implement it. Contribution levels have been updated by inflation from those set out in the non-statutory guidance of 2012 and the payment schedule has been amended to reflect that used for other developer obligations. In addition, there is now explicit reference to uses that fall outwith the Use Classes Order (such as serviced apartments) which will now also be explicitly required to make a contribution.

### **Future timescales**

The draft revised guidance was issued for an 8 week period of consultation between 12th December 2014 and 6th February 2015. The results of the consultation will then be considered and reported to the SDPA at its meeting in March 2015, following which it is the intention that the proposed Supplementary Guidance would be submitted to Scottish Ministers. Scottish Ministers will then have 28 days to issue a direction to the SDPA if they require an amendment to be made prior to adoption. The earliest the Supplementary Guidance is likely to come into force is therefore May 2015.

In the interim, STF contributions continue to be sought for all relevant planning applications in the City and Aberdeenshire and the existing guidance will continue in force.

The full report to the SDPA on 10<sup>th</sup> December as well as the draft revised guidance issued for consultation is available on the SDPA website at [http://www.aberdeencityandshire-sdpa.gov.uk/AboutUs/Agendas/2014\\_12\\_10\\_Agenda.asp](http://www.aberdeencityandshire-sdpa.gov.uk/AboutUs/Agendas/2014_12_10_Agenda.asp)

### **o Chapelton of Elsick proposal to modify / discharge the planning obligation in respect of the STF**

Aberdeenshire Council has received an application for the modification / discharge of the planning obligation in relation to the STF payment for the development of land at Chapelton of Elsick. Aberdeenshire Council are required to reach a conclusion on planning applications within a short timescale and as part of this process undertook a consultation with a number of stakeholders to enable them to make comments on this proposal before making a determination.

The full details of the proposal submitted by the developer's agents can be viewed on Aberdeenshire's online Planning Register at <https://upa.aberdeenshire.gov.uk/online-applications/applicationDetails.do?activeTab=summary&keyVal=NHCBIICA01300>

Due to the tight timescales within which Aberdeenshire Council are required to respond, a deadline for comments of 6<sup>th</sup> February was given. A Nestrans' response has therefore been drafted and submitted subject to approval by the Board.

The response is provided in Appendix A for approval.

o **Update on agreements and payments into the fund**

Since the last Board meeting in December 2014 no further payments have been made into the STF however one Section 75 agreement has been signed for a site in the City incorporating an STF contribution. This was a significant development and has almost doubled the funds agreed to date through the STF.

In total, contributions of £20,585,625 have been agreed in relation to the STF of which £1,459,741 is currently held by Nestrans.

As stated in the guidance, monies paid into the STF are held for a period of 20 years.

o **Recommendation**

The Board is recommended to:

- a) Note the steps being taken in the review of the STF, the key changes made to the guidance and the timescales set out by the SDPA for this;
- b) Agree the response submitted to Aberdeenshire Council on the Elswick development; and
- c) Note the payments made into the funds to date.

KC/6<sup>th</sup> February 2015

## Appendix A

4<sup>th</sup> February 2015

Our Ref

KC/N10/13

Your Ref:

APP/2014/4424

Robert Gray  
Head of Planning & Building Standards  
Aberdeenshire Council  
Woodhill House  
Westburn Road  
Aberdeen

Dear Robert

**Proposal: Modification of the Planning Obligation (Strategic Transport Fund Contributions) in Respect of Minute of Agreement in Terms of Section 75 Relating to APP/2011/3100 and APP/2011/3103**  
**Address: Land at Chapelton of Elsick, Newtonhill, Aberdeenshire**  
**Grid Reference: 389350.794390**

Thank you for the opportunity to comment on the above proposal. As the Regional Transport Partnership for the north east of Scotland, Nestrans has worked closely with the Strategic Development Planning Authority (SDPA), Aberdeen City Council, Aberdeenshire Council and Transport Scotland in the development of the Strategic Transport Fund mechanism and the supplementary planning guidance 'Delivering Identified Projects through a Strategic Transport Fund' which was published in March 2012. Nestrans, together with the SDPA, commissioned consultants MVA to undertake the Cumulative Transport Appraisal which provides the evidence base for the STF. Nestrans also administers the STF and holds the funds that have been paid to date.

### **The Cumulative Transport Appraisal**

The Cumulative Transport Appraisal identifies the cumulative impact of new development allocations on the transport network and the transport interventions required to mitigate these impacts. In their recommendations on the Strategic Development Plan (SDP) Examination, the Reporters identified that Table 7.2 of the CTA did not demonstrate a link between individual development sites and the identified STF interventions.

For clarification, the data provided in Table 7.2 of the original CTA report shows the traffic from each development using each item of infrastructure as a proportion of **all** traffic using that infrastructure, not just traffic associated with new development. This means that in many instances where a figure of less than 1% is shown it is because its proportion in relation to all traffic is small not necessarily that it is not adding any trips to this point of the network. This could give the impression of no impact when the development is in fact adding a significant number of trips to this piece of infrastructure.

In response to the Reporters recommendations however, Nestrans and the SDPA commissioned MVA (now known as Systra) to carry out additional work to better demonstrate the link between development areas and the proposed infrastructure. The addendum that has been produced shows instead the **proportion of all traffic associated with each development area** using each of the identified infrastructure. Still shown as a proportion, the figures presented are specific to the development area in question.

The purpose of this addendum is to provide a clearer indication of whether trips to/from development areas impact on the identified STF infrastructure. The purpose of this table is not to assess the scale of that impact or to identify all impacts across the network from each development. The table does not therefore assess the impact on infrastructure that is not included within the STF, for example the existing Bridge of Dee.

### **The base case scenario**

In their supporting statement the point is made under 3.14 that *“whilst the analysis confirms some deterioration in network performance at 2023 with full development in place, compared with the position with no LDP allocations, in all cases the implications for Bridge of Dee and other Dee crossings are no worse than the current position, prior to the effects of relief provided by provision of the AWPR”*.

The STF does not use as the base case scenario the present day (which at the time the CTA was published was 2010). There are significant committed schemes in the pipeline, of which the AWPR is one, which are being delivered to address present day constraints on the network. It is the 2023 scenario (scenario 2023 S0 in the CTA), once these committed schemes are in place but without any new development, against which the impacts of new development should be assessed. This position was made clear to the developer’s agents at a meeting in December 2012.

### **Proposed contributions**

The supporting statement puts forward proposed contributions of £146,000 and £141,000 to deal with cumulative transport impacts, significantly less than the contribution agreed to by the developers as part of the Section 75 agreement and a long way from being adequate to mitigate the impact of a development of this scale. We question the conclusion that the development will result in a ‘modest’ increase in vehicles crossing the Bridge of Dee when the CTA shows significant increases in traffic and congestion on this corridor as a result of development when compared to the base case scenario (as described above) (see table 5.2 and figure 5.1 of the CTA report).

It is also suggested under paragraph 5.9 that these increases are *“well within the scope of potential diversion to Park & Ride and other sustainable travel initiatives”*. It should be noted that there is already a planned new park and ride site on the A90(S) and that this was included in the base case of committed schemes included in the CTA. The potential diversion to park and ride of journeys from the Chapelton development has therefore already been taken into account in the CTA as part of the baseline and the STF interventions identified are required over and above these committed schemes, as a direct result of the cumulative impact of development.

### **Strategic vs Local impacts**

It is worth clarifying that the STF is intended to mitigate strategic impacts on the transport network (road and public transport) resulting from the cumulative impact of development. The purpose of the fund is not to mitigate all impacts on the strategic road network which is what is inferred under paragraphs 3.33 and 3.34 of the supporting planning statement submitted for this proposal. Impacts that result solely from the impact of a single development (such as proposals for a link from the Elswick development onto the Fastlink) are not included in the STF as they are required to facilitate a single development. The fact that they are located on the trunk or strategic road network is not a criteria for their inclusion.

I hope that these comments are helpful, however if you would like to discuss any of the issues raised in more detail, please do not hesitate to contact me.

In order to meet the deadline for consultation responses, this response is submitted subject to approval by the Nestrans Board who will consider this draft at its meeting on Friday 20<sup>th</sup> February 2015. I will contact you directly following this meeting to confirm if there are any amendments to the response.

Yours sincerely

A handwritten signature in black ink, appearing to read "Kirsty Chalmers". The signature is written in a cursive, flowing style.

Kirsty Chalmers  
Transport Executive (Strategy & Delivery)