3b Strategic Transport Fund Update

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.

o Background

The Strategic Development Planning Authority adopted the supplementary planning guidance 'Delivering Identified Projects through a Strategic Transport Fund' in December 2011. This guidance is non-statutory 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 approved by Scottish Ministers 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 has been consulted upon and in April 2015 the SDPA agreed to make amendments to the guidance in light of the consultation responses and submit it to Scottish Ministers for the statutory 28 days for them to decide whether to issue a Direction regarding the adoption of the guidance.

o Review of the STF Guidance

The SDPA received notification at the start of June from Scottish Ministers that it could proceed to adopt the guidance. The SDPA agreed at their meeting on 25 June 2015 to adopt statutory Supplementary Guidance in relation to the Strategic Transport Fund.

The adopted guidance has now been referred to both councils for ratification, going to Aberdeenshire Council's Infrastructure Services Committee on 20 August and Aberdeen City Council's Communities, Housing and Infrastructure Committee on 27 August. The guidance is therefore expected to come into force on 28 August 2015, at which point it will supersede the current non-statutory guidance. The final version of the Supplementary Guidance will be published on the SDPA website. 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 Strategic Transport Fund contribution levels are uprated by inflation in accordance with the Building Cost Information Service – All in Tender Price Index at the start of each financial year and new figures for 2015/16 were published on the SDPA website on 17 June 2015. The new contribution levels replace Table 1 in the guidance and came into force with immediate effect.

o Legal Challenge

A legal challenge has been lodged in the Court of Session by the Elsick Development Company against the newly adopted statutory Supplementary Guidance. The SDPA has an initial 21 days to respond to the challenge, but it is not clear how long it might take for the case to be heard and determined. In the meantime, the new guidance will come into force on 28 August, with the existing guidance continuing to be used until then.

o Update on agreements and payments into the fund

Since the last Board meeting in June 2015 funds totalling £195,914 have been received in relation to three sites in Aberdeen and Section 75 agreements have been signed for two sites in Aberdeen.

In total, contributions in excess of £20,899,606 have been agreed in relation to the STF (this amount excludes agreements that have yet to determine precise levels of contributions), of which £1,669,077 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 key changes being made to the guidance and the timescales set out by the SDPA for this;

b) Note the payments made into the funds to date.

JA / 12 August 2015