

The background of the slide features the Falkirk Council Coat of Arms. It is a shield divided into four quarters. The top-left quarter shows a castle tower. The top-right quarter shows a stag's head with antlers. The bottom-left quarter shows a sailing ship on water. The bottom-right quarter shows a thistle. Above the shield is a crown with four fleurs-de-lis. Below the shield is a ribbon with the motto 'A'NE FOR A'.

Agenda Item 6

**Falkirk Local Development Plan –
Revised Supplementary Guidance SG
10 Education and New Housing
Development**

Falkirk Council

Title: Falkirk Local Development Plan – Revised Supplementary Guidance SG 10 Education and New Housing Development
Meeting: Executive
Date: 19 February 2019
Submitted By: Director of Development Services

1. Purpose of Report

- 1.1. This report presents draft revised Supplementary Guidance on Education and New Housing Development (SG 10) for approval for public consultation.

2. Recommendation(s)

- 2.1. **It is recommended that the Executive agrees to:-**

- (1) the publication of the draft revised supplementary guidance attached as Appendix 1 as a basis for public consultation;**
- (2) delegate authority to the Director of Development Services to submit a finalised version of the guidance to Scottish Ministers for approval if no significant objections are received during the public consultation; and**
- (3) receive a further report on the guidance, if significant objections are raised during the public consultation.**

3. Background

- 3.1. The Council's supplementary guidance (SG) expands on the policies and proposals of the Falkirk Local Development Plan (LDP). SG can help applicants understand the Council's development requirements and consider issues at an early stage.
- 3.2. SG 10 Education and New Housing Development was adopted in July 2015 together with the LDP. The guidance gives further detail on LDP Policy INF05 which enables developer contributions to be sought for education. Contributions are typically used to pay for additional classrooms which are needed to meet the extra demand for school places, created by new housing development.
- 3.3. SG10 states specific rates for houses and flats to calculate the required level of contribution for an eligible housing development. The rates are based on typical construction costs per pupil and pupil product ratios (PPRs). PPRs are the average number of nursery or school age children generated by a new dwelling.

- 3.4. While much of the current SG is still relevant, specific aspects need updated through a revised draft to ensure the guidance remains fit for purpose. The draft, revised SG10 is attached as Appendix 1 to this report.

4. Considerations

- 4.1. The SG10's current rates need to be revised to account for updated PPRs, and updated school construction costs, including inflation, supplied by the Scottish Futures Trust (SFT). Table A, below, shows the proposed rates per dwelling as stated in the draft revised SG10, along with the current rates. Separate rates are set for flats and houses and for each type of school [nursery, Roman Catholic (RC) primary and secondary, non-denominational (ND) primary and secondary]. All Council nursery provision is non-denominational.
- 4.2. Developers may be required to contribute towards one or more of these categories of school/nursery provision, depending on which types of school within the local catchment are subject to capacity issues.

Table A: Proposed and current rates for developer contributions

	ND Primary proposed rate per dwelling (current rate)	RC Primary proposed rate per dwelling (current rate)	ND Secondary proposed rate per dwelling (current rate)	RC Secondary proposed rate per dwelling (current rate)	Nursery proposed rate per dwelling (current rate).
House	£4,398 (£2,600)	£825 (£850)	£2,334 (£2,100)	£467 (£900)	£1,566 (£350)
Flat	£1,512 (£1,000)	£137 (£500)	£622 (£1,050)	£156 (£900)	£470 (£150)

- 4.3. The proposed rates, which are indexed linked, will ensure future developer contributions reflect more accurately the costs of necessary education infrastructure. In most cases, the proposed rates are higher than the current rates. The reasons for this are summarised as follows:
- ND provision – the ND primary contribution rate has increased significantly due to a higher PPR and increased construction costs. The ND secondary contribution rate for houses has increased due to a marginally higher PPR, while for flats the rate has fallen due largely to a lower PPR.
 - RC provision - Recent changes to the Council's Admissions Policy have discouraged enrolment of non-RC pupils at RC schools. This has overall reduced the PPRs for RC schools, giving a lower contribution rate

- Nursery provision - The Council has more reliable figures to estimate PPRs for such provision. PPRs are now directly based on actual number of nursery places rather than primary school ratios. This, in combination with higher construction costs, has led to a higher rate for nurseries.
- 4.4. It is recognised that developer contributions can impact on a development's viability. The SG10 sets out a procedure to deal with issues of viability. It is for a developer to demonstrate any shortfall through a credible Development Viability Statement, the form of which is prescribed in SG10. The statement can be taken into account as a material consideration in determining the planning application. Depending on individual circumstances, the Council can mitigate the impact of additional contributions on development through phased or deferred payments.
- 4.5. Other proposed changes to the SG are:
- Updated planning policy background to developer contributions
 - Additional guidance on considering developer contributions for nursery provision
 - Greater clarity on the types of development exempted from developer contributions
- 4.6. Following the public consultation exercise, the revised SG10 will be finalised and then submitted to Scottish Ministers for approval. The Council must also send Scottish Ministers a statement setting out the publicity measures it has undertaken, the comments received and an explanation of how these comments have been taken into account. After 28 days have elapsed, the Council may adopt the supplementary guidance unless Scottish Ministers have directed otherwise.
- 4.7. Once adopted, the revised SG10 becomes a statutory part of the LDP and therefore has the same weight as the plan in planning application decisions. The new guidance once adopted will be used until it is replaced by a future combined SG on developer contributions.

5 Consultation

- 5.1 Subject to committee approval, the revised SG10 will undergo a statutory six week consultation period. The consultation will be well publicised in the press and through notification to key organisations, including house builders and registered social landlords. Copies of the guidance will be made available in local public libraries, one-stop shops and the Council's website during the consultation.

6 Implications

Financial

- 6.1 While having cost implications for public and private house builders, the proposed rates reflect more closely the costs of school infrastructure, as benchmarked by SFT nationally, and reduce the Council's exposure to such costs.

Resources

- 6.2 The revised SG10 will help ensure future developer contributions are more proportional to the costs of school infrastructure.

Legal

- 6.3 The requirements and procedures for the preparation of SG are set out in Section 22 of the Town & Country Planning (Scotland) Act 1997, as inserted by the Planning etc. (Scotland) Act 2006, and in the Town & Country Planning (Development Planning) (Scotland) Regulations 2008.

Risk

- 6.4 Failure to update the rates could result in insufficient contributions being collected in the future and, therefore, place a further strain on Council budgets to fund school infrastructure.

Equalities

- 6.5 The revised SG10 expands on the LDP whose Equality and Impact Assessment (EIA) concluded that it would have no adverse impact on protected groups. The guidance itself does not require a separate EIA.

Sustainability/Environmental Impact

- 6.6 The guidance has been previously subject to screening for Strategic Environment Assessment. The screening confirmed that the guidance will have no adverse environmental impacts.

7 Conclusions

- 7.1 Developer contributions can be used to mitigate the impact of housing development on local nurseries and schools. The revised SG10 updates the Council's current approach and will enable the Council, in future, to seek developer contributions that are more proportional to the costs of necessary school infrastructure.

Director of Development Services

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Date: 5 February 2019

Appendices

Appendix 1 Education and New Housing Development: Supplementary Guidance
SG10 - Consultative Draft

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the
Local Government (Scotland) Act 1973:

- Falkirk Local Development Plan – adopted July 2015
- Education and New Housing Development: Supplementary Guidance SG10 -
July 2015

Education and New Housing Development Draft Revised Supplementary Guidance SG10

Draft for meeting of the Executive on 19 February 2019

Falkirk Council - Development Services

Supplementary Guidance

Falkirk Council has prepared supplementary guidance (SG) documents, setting out detailed advice on its requirements for the development across the Council area. In so doing, the SGs give greater clarity and certainty to applicants, developers, communities and so on as to how particular local development plan policies and proposals should be applied in practice.

The SGs are part of the statutory Falkirk Local Development Plan (LDP), giving them the same weight as the plan in decision-making. There are 17 SGs associated with the LDP:

- SG01 - Development in the Countryside
- SG02 - Neighbourhood Design
- SG03 - Residential Extensions and Alterations
- SG04 - Shopfronts
- SG05 - Biodiversity and Development
- SG06 - Trees and Development
- SG07 - Frontiers of the Roman Empire (Antonine Wall) World Heritage
- SG08 - Local Nature Conservation and Geodiversity Sites
- SG09 - Landscape Character Assessment and Landscape Designations
- SG10 - Education and New Housing Development
- SG11 - Health and New Housing Development
- SG12 - Affordable Housing
- SG13 - Open Space and New Development
- SG14 - Spatial Framework and Guidance for Wind Energy Development
- SG15 - Low and Zero Carbon Development
- SG16 - Listed Buildings and Unlisted Properties in Conservation Areas
- SG17 - Renewables

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1. Introduction

About this document

- 1.1 Developer contributions enable the planning system to secure the right infrastructure to support new development and to make sure the impacts of proposals are acceptably mitigated. This draft supplementary guidance sets out the Council's approach to developer contributions and education provision. It is intended for future use by applicants and developers, and by planning officers in the assessment of relevant planning applications within the Falkirk Council area.
- 1.2 New development can place additional strains on education services as well as impact directly on the communities that use these services. The guidance details the principles and mechanisms that the Council will use to manage and mitigate the impacts of development on local schools.
- 1.3 Supplementary Guidance SG10 was adopted by the Council in July 2015. Parts of the guidance need updated to ensure it remains fit for purpose. In this revised draft, the Council proposes to amend the 2015 guidance's developer contribution rates (Appendix 1). These rates need adjusted for inflation, updated construction costs and pupil product ratios. Other main changes are:
 - Updated background to developer contributions (Chapter 2)
 - New guidance for considering nursery provision (Para 3.6-3.7)
 - An extended list of developments exempted from developer contributions for education (Para 3.8)
 - The proposed rates, and future contributions, are to be indexed using the BCIS 'General Building Cost Index (Para 4.8-4.10)

How do I respond to this consultation?

- 1.4 Written representations should be submitted to Falkirk Council no later than DATE TO BE INSERTED. Please send your representation by email to: ldp@falkirk.gov.uk and include 'Education SG10 - Response' as the subject of your email.
- 1.5 Alternatively, post your response to:
Development Plans Team
Planning and Environment
Development Services
Falkirk Council
Abbotsford House
David's Loan
Falkirk FK2 7YZ

What will happen following public consultation?

- 1.6 Following completion of the consultation process, the Council will consider comments received and may make further changes to the draft guidance. Once finalised, and approved by Scottish Ministers, the draft guidance will replace the 2015 guidance and become part of the Falkirk Local Development Plan (LDP). The guidance will then be used in the interim period until it is replaced by a combined SG on developer contributions at a future date.

Privacy Notice - How we will use your personal information?

- 1.7 Your privacy is important to us. Any personal information you give to us when responding to this consultation will be treated in line with data protection law, including the General Data Protection Regulations (GDPR).
- 1.8 We have prepared a Privacy Notice to meet the requirements of the GDPR. The notice provides details of what personal information we collect from you, what we do with it and who it might be shared with. You can find the notice on our website: www.falkirk.gov.uk.
- 1.9 Please note representations made on the draft guidance are not confidential. Your name and representation may be published online or made available to anyone on request for information. A summary of your representation will be shared with Scottish Ministers, if the Council decides to proceed with the adoption of the guidance.
- 1.10 Personal details, such as your email address, home postal address, signatures, telephone numbers, will not be made public in the documents we publish.

2. Legislative and Policy Background

What are developer contributions?

- 2.1 Developer contributions are made by developers to provide, maintain or contribute towards public services, infrastructure and environmental mitigation which are necessary to mitigate the impacts of their development on the area.

How are developer contributions secured?

- 2.2 Developer contributions are usually secured through a planning obligation made under Section 75 of the Town and Country Planning (Scotland) Act 1997 (as amended). A planning obligation is a legally binding agreement between the relevant parties, normally between the Council, landowner, applicant and any other parties directly involved in fulfilling the agreement.

- 2.3 The Council may use an alternative legal mechanism to secure developer contributions depending on the circumstances. Provision under Section 69 of the Local Government (Scotland) Act 1973 provides the Council with a general power to enter into an agreement with developers to facilitate, or is conducive or incidental to the discharge of any of its functions, including education. This type of agreement (or S69 agreement) can include payment of money but, unlike a planning obligation, is not limited in its purpose to the regulation and restriction of development.

National Policy Context

- 2.4 Scottish Planning Policy (SPP) sets out Scottish Ministers' expectations for the planning system and for the development and use of land across Scotland. SPP states the aim of the planning system is to achieve the right development and in the right place, and that policies and decisions should be guided by supporting delivery of infrastructure. It expects development plans and associated documents, such as supplementary guidance and action programmes, to indicate how new infrastructure or services are to be delivered and phased and how and by whom any developer contributions will be made.
- 2.5 Planning Circular 3/2012: Planning Obligations and Good Neighbour Agreements sets out the Scottish Government's policy on the use of planning obligations. It states that 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 the following policy tests:
- **necessary** to make the proposed development acceptable in planning terms
 - **serve a planning purpose**, 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 prerequisite
 - **fairly and reasonably relate in scale and kind** to the proposed development
 - **be reasonable in all other respects**

Local Policy Context

- 2.6 The Falkirk Local Development Plan, adopted July 2015, is an important document directing the future and development of land within the Falkirk Council area over a 20 year period, up to 2034. It contains policies and proposals indicating where development should, or should not, take place and provides guidance on a range of topics, including housing and infrastructure. All planning applications in the Council area must be determined in accordance with the development plan unless material considerations indicate otherwise.

- 2.7 Access to high quality education and child care will help achieve contribute to the plan's vision by improving the attractiveness of the area as the place to live, work, visit and invest. The vision is underpinned by a spatial strategy which makes provision for nearly 8,000 new homes across the Council area, mainly within 12 Strategic Growth Areas. In some locations, new infrastructure will be needed to serve new development and make it sustainable.
- 2.8 At an early stage, when allocating sites in the Falkirk Local Development Plan (LDP), the Council took into account the potential impact of development on school rolls and capacity. For some sites, a housing or mixed use allocation is conditional on addressing school capacity constraints. The LDP's Appendix 1: Site Schedule, and accompanying Action Programme, sets out infrastructure requirements for the development of allocated sites. Depending on the location, these requirements may include additional school capacity and other necessary infrastructure.
- 2.9 The requirements are not exhaustive and may change over time as growth pressures and infrastructure priorities change. Other requirements for development may be identified at a later stage e.g. through development frameworks or the planning application process.

- 2.10 The plan has two planning policies that are particularly relevant for education. The first is Policy INF02, which sets out the strategic basis for seeking developer contributions. Figure 5 accompanies Policy INF02 and lists types of infrastructure for which developer contributions may be sought. It is reproduced below for guidance.

Figure 5.2: Examples of developer contributions requirements

Type of provision	Circumstances where provision may be required
Environmental Infrastructure	
Woodland Planting & Management	Sites relating to Green Network locations, where opportunities exist to enhance/reinforce the network, to integrate a site into its landscape setting, or otherwise to mitigate its visual impact.
Habitat Creation & Management	Sites relating to existing wildlife sites or corridors, especially loss of habitat requiring mitigation/compensation or enhancement.
Sustainable Flood Management	Sites where opportunities exist to provide sustainable flood management measures as identified through flood risk assessments.
Outdoor Access Provision	Sites relating to Green Network locations and where opportunities exist to enhance the local access network.
Archaeological Investigation / Interpretation	Sites containing archaeological remains.
Historic Building Repair/Conservation	Sites containing buildings of historic or townscape importance.
Physical Infrastructure	
Road Improvements	Sites where improvements will be necessary as demonstrated by Transport Assessment in order to ensure mitigation of impact, including cumulative impact, of the proposed development.
Public Transport Facilities & Services	Larger sites where access by public transport needs to be secured to meet sustainability objectives.
Pedestrian/cycling facilities	Sites where pedestrian/cycle links into the wider network and to key community/public transport nodes need to be established.
Sewerage Improvements	Sites where additional sewerage infrastructure must be provided in order to serve the development.
Community Infrastructure	
Open Space Provision/Maintenance	All housing sites must provide for, or contribute to, open space on- or off-site, as well as maintenance.
Play Area Provision/Maintenance	All housing sites must provide for, or contribute to, play facilities on- or off-site, as well maintenance.
School Capacity	Sites where school capacity/facilities are inadequate to cope with the proposed development.
Community/Sports Halls	Sites in areas where there is a recognised deficiency in the quantity or quality of provision.
Health Care Facilities	Sites in areas where there is a recognised deficiency in the quantity or quality of provision.

- 2.11 The second policy is Policy INF05. This specifically deals with education provision and new housing.

Policy INF05 Education and New Housing Development

Where there is insufficient capacity within the catchment school(s) to accommodate children from new housing development, developer contributions will be sought in cases where improvements to the school are capable of being carried out and do not prejudice the Council's education policies. The contribution will be a proportionate one, the basis of which is set out in Supplementary Guidance SG 10 'Education and New Housing Development'. Where proposed development impacts adversely on Council nursery provision, the resourcing of improvements is also addressed through the Supplementary Guidance.

In circumstances where a school cannot be improved physically and in a manner consistent with the Council's education policies, the development will not be permitted.

3. Key Principles

When will a contribution be sought?

Identifying the appropriate solution

- 3.1 Developer contributions for education will be sought where they are necessary to manage and mitigate the impacts of development on the area's educational infrastructure. They will be required for proposed housing developments in the catchment areas of schools which are experiencing, or are projected to experience, capacity problems. They will apply to both allocated sites, where the need for contributions may or may not have been stated in the LDP, and to windfall sites.
- 3.2 There may be instances where the Council decides to 'front fund' school improvements necessary to meet the demands of new development, in advance of contributions being secured from sites which will contribute to the particular capacity issue. In these circumstances, the Council will continue to collect contributions from these sites up until such time as the Council's costs have been recouped.
- 3.3 The need for contributions will be established with reference to the school roll projections which are produced annually by the Council's Children's Services. These projections take into account actual school enrolment figures, future P1 intakes based on birth data, and new housing programmed in the Housing Land Audit (including allocated LDP sites and sites with planning permission). Proposals for housing development over and above the existing commitments will be tested by re-running the projections with the proposed development included.
- 3.4 The impact of development will be assessed on the available capacity at the schools affected, and the estimated number of pupils which will be generated by the development, based on the pupil product ratio. This is the average ratio of pupils per house or flat within a new housing development. Appendix 1, Table B shows the current pupil product ratios used by the Council along with proposed ratios. Pupil product ratios are reviewed regularly.
- 3.5 There may be school specific factors, such as space, quality of ancillary accommodation and so on, that mean increasing capacity is not a practical solution. If it is technically impossible to provide extra capacity, the Council may resolve the issue through the use of suspensive conditions to control the phasing of development or, in extremis, may refuse planning permission.

Nursery provision

- 3.6 New housing development can create extra demand for early learning and childcare places, requiring, in some cases, additional nursery capacity. The Scottish Government is funding a number of nursery extensions within the area as part of the Scottish Government's and Falkirk Council's commitment to increase the early learning and childcare core entitlement from 600 to the 1,140 hours per year by 2020. This funding, however, is not intended to resolve a nursery capacity issue created by future development. Developer contributions will still be required for nursery provision in some circumstances.
- 3.7 The Council will consider contributions for nursery provision on a case-by-case basis, taking into account the following questions:
- Will the development by itself, or in combination with other developments, require a further, and material, increase in nursery provision? What constitutes a "further and material increase" will depend on individual circumstances such as scale and phasing of development, catchment and capacity of nursery provision.
 - Does the contribution meet all the policy tests within Planning Circular 3/2012: Planning Obligations and Good Neighbour Agreements?

Exemptions

- 3.8 Development falling into any one of the following categories will be exempt from education developer contributions as they would have no, or a negligible impact on school capacity:
- all proposed one bedroom dwellings
 - proposals for fewer than 4 houses, and/or fewer than 10 flats. In applying this exemption to any application, the capacity of the whole site allocated in the LDP, or consented for housing development, of which the application site is part, will be used. This is to prevent avoidance of contributions through sub-division of sites
 - changes of use, conversion or redevelopment schemes in which there would be no net increase in the number of residential units at the site
 - dwellings which would not place an additional burden on existing schools, for example, housing exclusively for the elderly, student accommodation linked with a college or university, or dwellings with occupancy restrictions secured by a planning condition or legal agreement that would prohibit occupation of the dwellings by children of nursery or school age
 - non-residential development, including Class 8 Residential Institutions.

What level of contribution will be sought?

- 3.10 Appendix 1, Table A sets out the proposed rates to calculate the level of developer contribution based on the total number of eligible units. Separate rates are set for flats and houses and for each type of school provision (nursery, Roman Catholic primary and secondary, non-denominational primary and secondary). Developers may need to contribute to more than one type of school provision. The rates are based on infrastructure costs per pupil and pupil product ratio for different kinds of school as reported by the Scottish Futures Trust.
- 3.11 Applicants should be aware the rates and level of developer contribution quoted by the Council at any time are time-limited and subject to change. For example, the proposed rates are index linked to account for inflation. The current indexed rate in force at the time of the decision notice will be used to set the level of developer contributions within the legal agreement. Paragraphs 4.8-4.10 set out further guidance on indexation.
- 3.12 Large scale housing proposals may sometimes require bespoke school accommodation solutions, and in such circumstances the scale of contribution will be calculated on an individual basis, rather than through the application of the rates.

4. Planning Application Process

Pre-application discussion

- 4.1 The Council strongly encourages applicants to discuss their proposals with Development Services before they prepare a planning application. Pre-application discussions can help highlight and resolve planning issues before proposals have reached an advanced stage and give an early indication of likely developer contribution requirements.

Planning application

- 4.2 After submission and validation of the planning application, the Planning Case Officer will confirm which contributions, if any, are applicable to the application following consultation with relevant services. The type and level of developer contributions will usually be indicated in the Planning Case Officer's report after consultation with Children's Services. The final decision on the application either being made under delegated powers or by the Planning Committee.

Legal agreement

- 4.3 If the Council is minded to grant the planning application, a decision will be made on the appropriate mechanism for securing any contributions (whether a planning obligation or S69 agreement as described in paragraphs 2.2 and 2.3. Negotiations will take place between the Council and the applicant to agree the Head of Terms for the legal agreement. The agreement will specify the basis on which contributions should be spent.
- 4.4 Where appropriate, the Council may agree to phase payments to mitigate the financial burden on developments. Where contributions are phased, appropriate triggers for payment will be included in the agreement.
- 4.5 Planning permission may be granted once an agreement has been concluded (and in the case of planning obligations, registered in the appropriate Property Register) or if all the contributions have already been paid.

Planning Permission in Principle

- 4.6 In the case of applications for planning permission in principle where the type and number of proposed residential units are unknown, the developer will be required to enter into a legal agreement with the Council to establish the principle of an appropriate developer contribution being calculated and made at an agreed future point in time.

Development Viability

- 4.7 Where a developer asserts that the cumulative impacts of developer contributions will be such as to render a development unviable, it will be for the developer to demonstrate this to the Council's satisfaction through a Development Viability Statement. The statement, suitably verified by an independent, chartered surveyor, will be taken into account as a material consideration in determining the application.

Indexation

- 4.8 Indexation ensures the proposed rates and contributions keep pace with price rises. The following outlines how indexation will be applied:

Annual indexation of rates

- 4.9 All the proposed rates (at Appendix 1, Table 1) are annually index linked to the BCIS 'General Building Cost Index'. The rates will be updated in April every year using this index. A table will be published on the Council's website (www.falkirk.gov.uk) showing the current indexed rate. This table will also be updated in April every year.

Indexation of developer contributions

- 4.10 The legal agreement will require agreed developer contributions, specified in the agreement, to be indexed from the date of the agreement to payment. The BCIS 'General Building Cost Index' will be used as the basis for indexation.

Contributions Management

- 4.11 The Council has a procedure for handling education developer contributions which involves Development Services, Legal Services and Children's Services working closely together to monitor the receipt and expenditure of contribution monies. Planning obligations details are recorded, with each benefiting service providing information at the relevant time. All contributions payments are made to the Council in accordance with an agreed process which is intimated to the responsible party at the conclusion of the legal agreement. Development Services are responsible for monitoring the trigger points for staged payments.

5. Useful Contacts

- 5.1 For matters of planning policy in relation to education provision or to discuss the principle of development proposals contact:

Development Plans Team
Planning and Environment
Development Services
Falkirk Council
Abbotsford House
David's Loan
Falkirk
FK2 7YZ
Tel: 01324 504720
Email: ldp@falkirk.gov.uk

- 5.2 For issues relating to specific planning applications:

Development Management
Development Services
Falkirk Council
Abbotsford House
David's Loan
Falkirk
FK2 7YZ
Tel: 01324 504720
Email: dc@falkirk.gov.uk

Appendix 1: Contribution Rates

Rates

- A1 The proposed rates for education developer contributions are shown **in bold** in Table A, along with the 2015 guidance's current rates in brackets. The proposed rates, which are rounded to the nearest pound, are only for permanent extensions as this is likely to be the required solution in the majority of cases.
- A2 The proposed rates are based on Q2018 prices and are annually index linked to the BCIS 'General Building Cost Index'. The rates will be updated in April every year using this index. A table will be published on the Council's website (www.falkirk.gov.uk) showing the current indexed rate. This table will also be updated in April every year. The current indexed rate in force at the time of the decision notice will be used to set the level of developer contributions within the legal agreement.
- A3 For clarification, ND and RC mean non- denominational and Roman Catholic respectively. The proposed changes to the rates reflect current construction costs and revised pupil product ratios.

Table A: Proposed and 2015 rates

Type of dwelling	ND Primary proposed rate per each dwelling (current SG rate)	RC Primary proposed rate per each dwelling (current SG rate)	ND Secondary proposed rate per each dwelling (current SG rate)	RC Secondary proposed rate per each dwelling (current SG rate)	Nursery proposed rate per each dwelling (current SG rate).
House	£4,398 (£2,600)	£825 (£850)	£2,334 (£2,100)	£467 (£900)	£1,566 (£350)
Flat	£1,512 (£1,000)	£137 (£500)	£622 (£1,050)	£156 (£900)	£470 (£150)

How the proposed rates were derived

- A4 The proposed rates stated in Table A were derived using the following formula:

(A) Proposed rate per type of dwelling = (B)* proposed pupil product ratio for type of school and dwelling x (C)* average construction costs per pupil

*The values for B and C are stated in bold within Tables B and C respectively.

- A5 For example, the proposed rate for a house in relation to a permanent extension for a ND primary school was calculated as follows using the formula:

(A) Proposed rate for a house = (B) 0.32 x (C) £13,744

(A) Proposed rate for a house = £4,398

Pupil Product Ratios

- A6 The ratios are the average number of children of nursery or school age per household within the Council area generated by all housing completions during the period 2007-2017. They do not provide a definitive figure for the number of children who will eventually come from individual sites.
- A7 The Council undertook a review of ratios for school pupils across the Council area in 1999, 2005, 2008, 2011, 2014 and 2018. All ratios were based on 10 years of housing completions and, with the exception of 1999, included all sites of 4 or more units. In previous reviews, the ratio for houses used is the average ratio from all sites with children regardless of housing type calculated for non-denominational and Roman Catholic schools for primary schools and for S1-S4 children for secondary schools. The average ratio from all sites with children at any primary school in 2014 was 0.32.
- A8 The proposed ratios (Table B) reflect the 2018 review which includes sites with houses of 10 units or more and sites with flats of 20 units or more. The Council uses an education management information system, called SEEMiS, to count all school age children on housing sites and to determine which schools they attend. This information enables a ratio for each site and housing type to be calculated. During the period 2007 to 2017, 4,349 new homes were completed across 40 sites in the Council area.
- A9 The proposed ratio is based on separate averages of all children from houses and all children from flats rather than an average from all types of housing. Separate averages produce higher ratios for houses but more realistically reflect actual children from coming sites.

- A10 Table B, below, provides the proposed ratios **in bold** along with those stated in the current SG10. For clarification, ND and RC mean non-denominational and Roman Catholic respectively. All nursery provision is non-denominational.

Table B: Pupil Product Ratios by type of school and type of dwelling

	ND Primary proposed ratio (current SG)	RC Primary proposed ratio (current SG)	ND Secondary proposed ratio (current SG)	RC Secondary proposed ratio (current SG)	Nursery proposed ratio (current SG)
House	0.32 (0.25)	0.06 (0.09)	0.15 (0.14)	0.03 (0.06)	0.10 (0.0357)*
Flat	0.11 (0.10)	0.01 (0.05)	0.04 (0.07)	0.01 (0.06*)	0.03 (0.014)*

*The current SG ratios for a house and flat 'under Nursery' were calculated respectively as 1/7 of the current SG ratio stated for a house and flat 'under ND Primary'. The calculation is based on the pre-2020 provision of 600 hours (equivalent to half a day) for every 3 and 4 year old which equates to 1 full day for a primary cohort of which there is 7.

- A11 The differences between the proposed and current SG ratios can be explained as follows:

ND Primary and Secondary Schools: The proposed ratios for houses are higher than the current SG's as the ratios are based on an average of children generated from houses only. The equivalent average figure for comparison purposes to the previous figures is 0.28 for all primary school children from all sites and housing types and 0.1 for secondary levels S1-S4 only. It is proposed to use all pupils from S1-S6 which generates a higher ratio. Furthermore, new houses on average are now generating more pupils than they did in the previous 10-year study.

RC Primary and Secondary Schools: Recent changes in the Council's Admissions Policy have discouraged enrolment of non-RC pupils at RC schools.

Flats: Pupil numbers from flats for all schools except non-denominational primaries have declined. Fewer flatted developments have been built and flats tend to generate fewer children. Although the last review in 2014 showed slightly higher figures the rate was not increased at that time. The proposed ratio accounts for the reduction in pupil numbers with a small increase for ND primary only. New flats on average are now generating fewer pupils than they did in the previous 10-year study.

Nursery: The previous calculation was based on assumptions and interpolated from primary school pupil product ratios. The proposed ratios are derived directly from the average number of nursery children generated by new housing development. They provide a more reliable estimate of pupil

product to estimate demand for nursery places from new housing developments.

Average construction costs per pupil

- A12 The Scottish Futures Trust (SFT) is a limited company established by Scottish Ministers to assist local authorities in achieving best value for investment in public infrastructure. The Trust is tasked with supporting delivery of the Scottish Government's Scotland's Schools for the Future Programme, which has funded a number of refurbished and new schools across Scotland since 2009. The Trust provides reliable, average construction costs which can be used for the calculation of education developer contributions.
- A13 Table C, below, provides the proposed costs **in bold**. These are estimated extension costs which are based on 70% of the SFT new build costs per pupil for average school sizes in the Falkirk Council. The proposed nursery costs are based on the current SFT metrics applicable to the early years and childcare expansion programme. This is underway to meet 1,140 hours provision by 2020.

Table C – Average construction cost per pupil

ND Primary proposed construction cost per pupil (current SG)	RC Primary proposed construction cost per pupil (current SG)	ND Secondary proposed construction cost per pupil (current SG)	RC Secondary proposed construction cost per pupil (current SG)	Nursery proposed construction cost per pupil (current SG)
£13,744 (£10,664)	£13,744 (£10,664)	£15,577 (£16,068)	£15,557 (£16,068)	£15,660 (£10,664)

- A14 Where the average construction costs per pupil per square metre have increased since publication of the current SG it has been due to inflation and better data to use as a basis for calculating construction costs per pupil.