

# **Capturing Financial Contributions from Private Developers towards Transport Infrastructure – The Edinburgh Tram Scheme**

**Raymond McMaster**

Dundas and Wilson CS LLP  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2BE  
Scotland  
UK

Tel: +44 (0)131 200 7819

Email: raymond.mcmaster@dundas-wilson.com

## **ABSTRACT**

Edinburgh has identified major investment in new public transport infrastructure as a pre-requisite for major city growth and redevelopment. Since 2004 an important element of the City's funding strategy has involved securing financial contributions to new infrastructure from private developers. This is done through the use of planning agreements linked with new planning permissions. The amount of financial contribution required is calculated using a formula-based policy.

The paper will review what has been achieved to date and the significance of this scheme in delivering the £550m Edinburgh Tram project. It will then go on to identify the general lessons that can be learned from the scheme especially given that it is being delivered within a currently constrained national policy framework. Consideration will also be given to possible future threats to this and similar schemes e.g. through introduction of the proposed Planning Gain Supplement.

**Key Words:** transport, development, funding