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**From:** [REDACTED]  
**Sent:** 22 May 2018 08:58  
**To:** Claire McArthur  
**Subject:** FW: PROPOSED STRATEGIC DEVELOPMENT PLAN - MAIN ISSUES RESPONSE  
**Attachments:** 18.05 21 - SDPA - MIR RESPONSE.pdf

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**From:** ian a downie [REDACTED]  
**Sent:** 21 May 2018 15:48  
**To:** [REDACTED]  
**Subject:** PROPOSED STRATEGIC DEVELOPMENT PLAN - MAIN ISSUES RESPONSE

Tom

I attach a response to the Main Issues Report which is perhaps a little more fundamental than the response form anticipated in that it provides the historical context for the concerns raised and the recommendations made.

A hard copy has been posted to you.

kind regards

Ian

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14th May 2018

Dear Tom

**STRATEGIC DEVELOPMENT PLAN - MAIN ISSUES REPORT - CONSULTATION RESPONSE**

I was intrigued to learn during the annual housing land audit committee meeting that it was business as usual in the Strategic Planning Development Authority notwithstanding the Government's clearly stated intention to disband SDPAs in early course.

One of the fundamental weaknesses of the two tier system is the disconnect between the strategic housing allowances and the local development plan allocations that are identified to meet these allowances. At the heart of this particular deficiency is the 'spatial strategy'. The spatial strategy does not blight Aberdeen City which is merely allocated an allowance of housing land which must be provided within its boundary. Aberdeenshire is not similarly blessed.

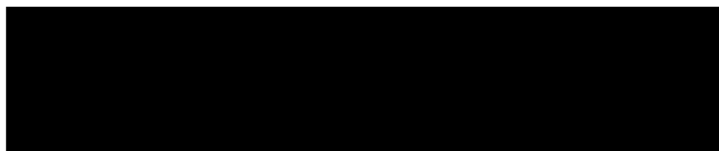
If one of the development objectives is to deliver a generous supply of housing then the spatial strategy must recognise and respect this objective. The spatial strategy cannot be counter intuitive within this context and yet, in the case of Aberdeenshire, that is precisely how the spatial strategy has been designed to perform.

A competent MIR must necessarily look at past policy performance including whether the spatial strategy has actually supported the policy objectives of the SDP including the delivery of housing. In the case of Aberdeenshire the current spatial strategy and the one unfortunately being promoted for the next SDP is little different from that first seen in the Grampian Structure Plan 1997 in that it seeks to concentrate development along the A96 and the A90.

The strategy delivered by the 1997 Structure Plan didn't work despite the fact that it was founded upon the most accurate assessment of the housing requirements seen in the past 21 years. The haste to prepare the NEST Structure Plan : 2001 was interrupted by the CALPs Public Local Inquiry. It was during this process that we first saw the manipulation of the strategic housing land requirements in a fairly blatant attempt to make substantial shortfalls in the housing land supplies in both HMAs disappear. The ploy didn't work and the CALPs inquiry saw a significant augmentation in the land supply in the Shire part of the AHMA. These sites were incorporated into the NEST allowances as were the defective 1999 Structure Plan Area Forecasts housing land requirements.

NEST was approved in late December 2001 and a few days later the housing land audit was showing a shortfall in maintaining the minimum five year effective land supply. Artificially depressing the housing land requirement meant that the allocations identified to meet the strategic allowances were insufficient to meet the actual higher rate of demand. One other fundamental problem dogged the Grampian Structure Plan and the NEST Structure Plan. In the case of the latter Members instructed that the commitment to deliver the strategic land supply be changed to a commitment to maintain a minimum five year effective land supply based on those strategic land requirements with headroom flexibility.

The policy wording was changed but there was no augmentation of the allowances necessary to ensure that the minimum five year effective land supply could be maintained throughout the first plan period. Within a few months of NEST being approved by Scottish Ministers Aberdeen City's planners became aware of the deficiencies in the Structure Plan and its failure to deliver a generous supply of housing land to support sustainable economic growth. Privately the City had an aspiration by late 2003 to secure 1,000 greenfield units per annum in the next strategic development plan.



In the case of Aberdeenshire the land supply problems were worsening with every housing land audit. It was discovered that a number of the sites in the 2000 housing land audit that had formed part of the effective supply shown in the NEST Structure Plan were in fact constrained. This further reduced the capacity of the local plan to deliver a generous supply of housing. In the case of the Rural Housing Market Area the CALPs Reporters identified a shortfall of 1948 houses as at 1.1.1999. No attempt was made to augment the supply until the Spring of 2003. Notwithstanding the fact that the new allocations were not included in the 2003 Housing Land Audit it proved impossible to conclude the audit in any acceptable manner. Many hundreds of units of constrained supply in the RHMA were logged in the 2003 Audit as effective with a 'marketability' issue.

Attempts to fast track the Aberdeenshire Local Plan : 2006 local public inquiry before any further adverse information on housing land supply emerged foundered initially when it was discovered that there had been a failure to advertise the inquiry in accordance with the relevant legislation. Following the rescheduling of the inquiry to the beginning of January 2004 the writer discovered that an entire part of the pre-inquiry process has been omitted by officials. The inquiry was abandoned a matter of days before it was scheduled to commence.

Later that year the local plan inquiry commenced but not until a further set of artificially depressed strategic housing land requirements had been issued. By lowering the strategic requirement to a quarter of the actual known demand in the Shire part of the AHMA it was just possible to show that there was a minimum five year effective supply at the start of 2004.

In 2005 it became necessary to release the second plan period allocations on the 31st December 2005 in a further attempt to inflate the effective land supply in advance of the 1st January 2006 housing land audit. However, in November 2005 the writer mounted a housing land supply based appeal which demonstrated that the Aberdeenshire Local Plan : 2006 could not maintain the minimum five year effective land supply even with the augmentation from the release of the second plan period allocations due to the fact that the NEST Structure Plan merely delivered the strategic requirements instead of identifying sufficient allowances to ensure that the minimum five year effective land supply could be maintained at all times.

The appeal was successful but was challenged in the Court of Session by planning officials. Even before the petition was lodged in the Court of Session the initial meeting of stakeholders had been held in Woodhill House to discuss the content of a urgent replacement of the NEST Structure Plan.

The Aberdeen City and Shire Structure Plan : 2009 merely welded the City's enhanced greenfield requirement of 1,000 units per annum to an action replay of the previous NEST Structure Plan. There was a substantial degree of repackaging to given the erroneous impression that Aberdeenshire was receiving a generous supply of housing land. The spatial strategy directed 50% of the requirement to the City and an equal requirement to the Shire. However in the case of the Shire a disproportionate percentage of the allowance was directed to the RHMA leaving the Shire part of the AHMA devoid of an adequate supply on housing land.

Once again the strategic housing land requirements provided by the HNDA had been doctored to support the 50 - 50 split between the City and Shire by decanting a significant element of the affordable requirement in the Shire part of the AHMA to the City.

Directing an excessive level of allowances to the RHMA exacerbated the problem first noticed in 2003 in that there was a very high level of marketability constraint in the land supply. The current Strategic Development Plan did not address this issue because of the failure to consider the spatial strategy at the MIR stage. Instead and despite the fact that a longer plan period was being proposed the HNDA was again manipulated to depress the requirement in the Shire part of the AHMA and increase the requirement in the RHMA.

The allowances shown in the Strategic Development Plan simply could not be met and sites with a total capacity of 3,984 houses which had formed part of the established supply as at 1.1.2015 were merely repackaged as new allocation in the Aberdeenshire LDP. Of these sites with a capacity of some 2,025 units were taken from the constrained and long term constrained parts of the 2015 Housing Land Audit.



Against this long standing and deeply rooted desire to suppress housebuilding within Aberdeenshire comments can be made with regard to individual identified parts of the current spatial strategy which the MIR suggests should be maintained.

#### **Pitcaple - Huntly Strategic Growth Area**

The bulk of allocations available to meet the strategic allowances are located at Huntly. The recommendations that officials continue discussions with landowners is palpable nonsense. To gain access to the constrained Pirriesmill site it would be necessary to construct a new vehicular and pedestrian bridge over the valley of the River Bogie as a continuation of Eastpark Street. For the purposes of this paper any capacity constraints on Eastpark Street to accommodate traffic generated by the development of the current LDP allocation of 495 houses have been disregarded. The valley at that point is around 160 - 180 metres wide and a new bridge would cost between £10,000,000 - £15,000,000 to construct excluding land acquisition costs.

That investment provides vehicular and pedestrian access for just 49 houses. A second vehicular and pedestrian access has to be provided to increase the number of houses that may be developed. That, in turn would involve constructing two bridges over the Aberdeen - Inverness railway track. The usual requirement to pay a substantial sum to Railtrack for the air rights to facilitate the construction of these bridges has been disregarded but the cost of the two bridges at around of £5,000,000 each requires to be added to the cost of the bridge over the River Bogie.

At an investment of £20 - £25 million it is still not feasible to build house 50 as a secondary access to a public road has still to be provided. The only possible connection to a public road is to the A97 Banff road which is approximately 1km from the Aberdeen to Inverness railway line. Once that road has been delivered the construction of house 50 can commence. On top of all of these completely excessive infrastructure costs there will be a need to deliver 25% affordable housing, contributions to the provision of a new primary school and other infrastructure including a new waste water treatment plant. Having regard to the entire package of quite extraordinary infrastructure costs the allocation is in an area where house prices are subdued as a consequence of low demand. The spatial strategy is not effective in respect of this strategic growth area.

#### **South of Drumlithie - Laurencekirk Strategic Growth Area**

The spatial strategy envisages the delivery of effective land for 1153 houses between 1st January 2011 and the 31st December 2026. This is equivalent to 72 houses per annum and the maximum effective supply that can remain on the 31st December 2026 is therefore sufficient for 360 houses. New allowances sufficient to deliver 900 houses are noted from Schedule 1 of the current SDP. The new allocation at Laurencekirk has a capacity of 885 houses but the 2018 housing land audit notes that 685 houses are constrained because of infrastructure deficiencies which relate to the need for the delivery of a new grade separated junction. In reality the site has a capacity of 200 houses before the grade separated junction has to be in position. To date the only funding commitment relates to covering the cost of the design work for the junction. Again, the spatial strategy when translated into allocations falls very far short of delivering the target number of new houses.

#### **Portlethen - Stonehaven Strategic Growth Area**

The spatial strategy envisages the delivery of 4,600 houses in this SGA. This represents just under 40% of all of the allowances in the Shire part of the Aberdeen Housing Market Area. One single site at Chapelton of Elsick accounts for 4,085 houses. This site has been under construction for over five years. Allowing for the first year to cover site establishment and looking at performance over the following four year period a total of 126 houses had been completed by the end of 2017, i.e. 31.5 houses per annum. Given that there are three small housebuilders effectively building to order on this site and no volume housebuilders it is unlikely that the build rate will exceed 40 - 50 houses per annum.

Allowing for 250 houses to be logged in the effective supply on the 1st January 2027 the total output from this site within the current plan period is unlikely to exceed 1,026 houses. This one site alone supports a shortfall in meeting the strategic targets to the end of 2026 by over 3,000 houses. It is simply not acceptable to ignore such a significant deficiency in the spatial strategy within the context of the Main Issues Report.

### **Local Growth Area - RHMA**

Local Growth in the RHMA attracts an allowance of 8,200 houses compared to the Local Growth allowance in the Shire part of the AHMA of just 2,350 houses. This substantial mismatch between demand and allowances effectively prevents the Shire from meeting the targets set down in the strategic development plan for the delivery of housing. Appendix 5 of the Aberdeenshire LDP : 2017 increases the target by including the shortfall from the first plan period but only lists allocations for 6,905 houses and a substantial percentage of these 'new' allocations have been recruited from the constrained supply that existed in 2011 contrary to the caveat noted at the bottom of Schedule 1 of the SDP. The situation had deteriorated to the point where 48.7% of the capacity of identified sites in the RHMA were logged as constrained in the 2017 Housing Land Audit.

The mismatch is so severe that it has been simply impossible to identify new allocations to meet the strategic allowances in the Local Growth Area - RHMA either numerically or by identifying genuine new allocations. Conversely the Shire part of the AHMA is awarded a substantially depressed supply in the Local Growth Area to meet demand in circumstances where the main player at Chapleton of Elsick is producing only a small fraction of the output necessary to meet the strategic targets.

### **Source of the current deficiencies in the spatial strategy**

During the course of 2003 Aberdeen City took a strategic view that the derisory greenfield allowances delivered by the NEST Structure Plan were totally unacceptable and that in the next development plan a minimum of 1,000 houses per annum on greenfield land would be sought within the City boundary. Following a successful housing land supply based planning appeal in January 2006 it became immediately apparent that the NEST Structure Plan was not fit for purpose insofar as the allowances in Aberdeenshire were hopelessly inadequate to deliver and maintain the minimum five year effective land supply required to satisfy NEST Policy 7. In fact the plan had been so incompetently prepared that in a matter of a few days after Scottish Ministers approved the plan the 2002 Housing Land Audit showed a deficit in meeting the minimum five year requirement. The requirement, itself, had been substantially depressed in advance of the Consolidated Aberdeenshire Local Plan Inquiry in a futile attempt to make a 3,500 house shortfall in effective supply disappear at least on paper.

Rather than taking the opportunity to deliver a competent replacement structure plan the Shire's planning service merely sought to repackage the previous defective NEST structure plan in new wrapper which gave the erroneous impression that a substantial amount of housing was being delivered in the Shire. This deceptive approach to the delivery of housing was supported by a consultation on how the housing requirement should be distributed. The spatial strategy which achieved the best results in terms of social inclusion and the delivery of housing was disregarded in favour of precisely the same spatial strategy seen in the NEST Structure Plan.

Central to this deception was the HNDA : 2010 which arbitrarily split the housing requirement equally between the City and Shire instead of identifying what the requirements were in each Authority's area. It was akin to suggesting that the housing requirements over the next ten years in Inverness were identical to those in Falkirk. This completely nonsensical proposition required a considerable part of the affordable requirement in the Shire part of the Aberdeen Housing Market Area to be transferred to the City without any apparent knowledge or approval by Aberdeenshire Councillors. The HNDA then directed the bulk of the requirement to the RHMA where market demand was slight.

The current strategic development plan was accompanied by an updated HNDA which further artificially depressed the requirement in the Shire part of the AHMA while increasing the requirement in the RHMA without any justification other than to limit the ability of the Shire to deliver the housing that the Authority so urgently required.

### Recommendations

- As far as Aberdeenshire is concerned the Scenario 3 figures in Table 42 of the most recent HNDA are the minimum additional housing units that should inform the next Strategic Development Plan;
- In terms of the strategic requirements 20% should be added to the additional housing units in the AHMA and 10% in the Rural Housing Market Area to accommodate the need for generosity;
- The caveat in previous Strategic Development Plans that the allowances do not include any sites contained with the housing land audit at the base date of the strategic development plan regardless of whether the sites are in the effective supply or constrained supply should be strengthened to expressly prohibit such sites as being included in the LDP as 'new' allocations to meet the allowances;
- A requirement that no new allocation in the Shire part of the AHMA should exceed 200 units in capacity and 75% of the new allocations should have a capacity of 100 houses or less should be included in the Strategic Development Plan as an aid to deliverability of housing;
- Allowances should be qualified in the RHMA as requiring to be met from sites of generally less than 50 houses capacity to aid deliverability;
- The pole / growth model should be used as the basis for the spatial strategy;
- Reference to long term constrained allowances, e.g. the allowances at Huntly, should be deleted from the strategic allowances;
- In the event that there are insufficient bids within the LDP preparation process policy flexibility to allow small scale development on non allocated sites with access to sustainable transportation options should be included in the strategic development plan.

Yours sincerely

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Planning and Development Consultant

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