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From: [Redacted]
Sent: 22 May 2018 08:52
To: Claire McArthur
Subject: FW: SDPA Review - MIR Consultation 2018
Attachments: CALA SDP MIR Rep_ Final 21.5.18.pdf

From: Michael Lorimer [Redacted]
Sent: 21 May 2018 09:40
To: [Redacted]
Cc: [Redacted]
Subject: SDPA Review - MIR Consultation 2018

Good morning

Further to Aberdeen City and Shire Strategic Development Planning Authority's recent publication of the Main Issues Report (MIR) as part of the Review of the Strategic Development Plan (SDP), please find attached response to the MIR consultation on behalf of my client, CALA Homes (North) Ltd.

I trust this is appropriate and would welcome confirmation of receipt in early course, as well as updates on the progress of the SDP review going forward.

Should you have any queries in relation to any of the information contained within the response, please do not hesitate to get in touch.

Kind regards

Michael

Michael Lorimer MA (Hons) MRTPI
Partner (Planning & Research)
Ryden

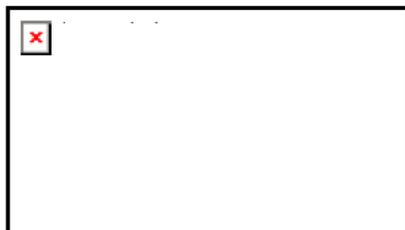
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Strategic Development Plan Review

Main Issues Report Consultation 12th March - 21st May 2018

The Aberdeen City and Shire Strategic Development Planning Authority are currently reviewing the Strategic Development Plan for the area. Our Development Plan Scheme outlines a timetable for the review of the Plan, and also identifies where there are opportunities to participate. It is available to view at:
<http://www.aberdeencityandshire-sdpa.gov.uk/DevelopmentPlan/DevelopmentPlanSchemes.aspx>

The **Main Issues Report** is the first formal stage in the review process – it describes and invites discussion on options for future policies, as well as employment and housing land targets for the next Plan. No settled view on the content of the next Strategic Development Plan has yet been reached, making the Main Issues Report the key stage for public consultation. Giving us your views will help to shape the future strategy for development and the policies by which future planning applications are determined.

You can view a copy of the Main Issues Report on our website at:
<http://www.aberdeencityandshire-sdpa.gov.uk/CurrentWork/CurrentConsultations.aspx>

Copies are also available to view at all Council Offices and Libraries within the Strategic Development Plan Area.

A series of accompanying documents, including an Interim Environmental Report, Monitoring Statement, Housing Needs and Demand Assessment and Interim Cumulative Transport Appraisal can also be viewed on our website (by following the above link).

How to Respond

The Main Issues Report contains a series of issues and questions on which we would like to hear your views. Please use this form to respond to these, or any other issues raised by the Main Issues Report or any other accompanying documents.

Consultation Responses must be received by 12pm on Monday 21st May 2018

You can make your views heard in a number of ways:

- **By Post - please return a completed version of this form to:**
Aberdeen City and Shire Strategic Development Planning Authority, Woodhill House, Westburn Road, Aberdeen, AB16 5GB
- **By Email - please return a completed version of this form to:**
team@aberdeencityandshire-sdpa.gov.uk
If you choose to fill out our online Word form, please be aware that you must download the form and save any changes before submission.

Letters and emails which do not make use of this form will also be accepted, however please make sure include your name, address, telephone number and email address (if applicable), as well as the details of anyone you are representing, if you would like us to be able to contact you with any queries on your submission.

Using your Personal Information

Information you supply to the Strategic Development Planning Authority (SDPA) by responding to this consultation will be used to prepare the next Strategic Development Plan for the area. The SDPA will not share the personal information provided in response to this consultation with other parties or organisations. The SDPA will not disclose any contact information about you to any organisation or person unless it is authorised or required to do so by law.

The SDPA Officers may use your contact details to contact you about the comments you have made. Your name and organisation may be published alongside your comments but contact details will not be made public. If you chose not to provide a name or contact details, your comments will still be valid but we will not be able to contact you in the future.

For further information on how your information is used, how the SDPA maintain the security of your information, and your rights to access information the SDPA holds about you, please contact: Claire McArthur, Acting Team Leader, Strategic Development Planning Authority, Woodhill House, Westburn Road, Aberdeen, AB16 5GB.

Contact Details

Name <i>(Mr/Mrs/Miss/Ms)</i>	Mr Michael Lorimer
Organisation <i>(if relevant)</i>	Ryden LLP
Address	[REDACTED]
Postcode	[REDACTED]
Telephone	[REDACTED]
Email	[REDACTED]

Please tick this box if you wish further correspondence to be directed to this address:

If you are completing this form on behalf of an organisation, group or landowner, please provide their details below.

Name <i>(Mr/Mrs/Miss/Ms)</i>	
Organisation <i>(if relevant)</i>	CALA Homes (North) Ltd
Address	[REDACTED]
Postcode	[REDACTED]
Telephone	[REDACTED]
Email	[REDACTED]

If you wish to be added to the SDPA distribution list to be kept informed of our progress in producing the next SDP, please tick this box and provide the email you wish to be added to our database (if different from above):

wish

Email : [REDACTED]

Your Views

Please use a separate box for each issue/question you wish to respond to. If you wish to continue on a separate sheet, please attach to the paper copy or email.

Main Issue / Question Number:	1. Do you agree with the updated Vision as set out in the Preferred Option?
<p>The vision contained within the extant Structure Plan is on the whole, worthy of retention, albeit with a number of minor tweaks as proposed within the MIR which promote industry diversification and resilience, in recognition of the challenges the North East has experienced through the recent Oil and Gas restructuring. My client, CALA Homes (North) Ltd is comfortable that the vision ties in with the Regional Economic Strategy and favours the preferred option, rather than proceeding with no change at all. In light of our ever changing environment, opting for the latter could be present a degree of short-sightedness when planning for a period spanning the next 20 – 25 years. My client would however seek assurances and further details on how the vision will be achieved in practice?</p> <p>One minor suggestion would be to amend the second bullet point within the vision to read “<i>the unique qualities of our built and natural environment</i>”, in recognition of the significant contribution that the housebuilding industry makes in shaping the places we live, work and do business, as well as the high quality natural environment we benefit from across the City and Shire Region.</p>	

Main Issue / Question Number:	2. Do you agree with the Preferred Option that the existing spatial strategy, in general terms, remains fit for purpose and should be carried forward?
<p>The MIR highlights widespread support for the spatial strategy for almost a decade, however, there remains a strong concern within the development industry that a continued focus on significant residential development within the Rural Housing Market part of the currently identified Strategic Growth Areas (SGAs), will continue to see more limited demand, which presents issues for maintaining an effective land supply. Additionally, large scale allocation at Ellon has yet to see any progress to date and my client would also have concerns over a lack of progress on the Energetica initiative. This is to the disadvantage of thriving and growing communities such as Westhill and Banchory which currently lie outwith an identified SGA. There must be a degree of flexibility to allow development in areas where there is a proven demand.</p> <p>The Structure Plan’s allocations in each of the Strategic Growth Areas focus on significant development, particularly residential, in the Rural Housing Market Area where demand tends to be more subdued. This can be seen in places like Huntly, which is included as a SGA but has very limited demand for new housing. This is to the disadvantage of growing communities in proximity to Aberdeen, such as Banchory and Westhill which lie outwith a currently identified SGA.</p>	

My client has serious concerns over the continued avoidance of including Westhill as a SGA, which is a significant barrier to sustainable growth, given its proximity to the City and the role it has played in recent years in the provision of housing and employment land. Westhill has been an area of sustained growth and economic performance, surrounded by Strategic Growth Areas yet somehow falling within an area of local growth. A review of Housing Land Audits from previous years indicates some 400 completions in Westhill since 2012, demonstrating strong demand for housing in the settlement. The draft 2018 Audit identifies only 13 new homes will be completed between now and 2020, with nothing programmed thereafter. This further demonstrates that the town continues to be ignored and this situation needs to be appropriately addressed.

Whilst it is recognised that the A944 corridor does not enjoy a rail link with Aberdeen this has not hindered its development, nor the contribution it makes to the North East economy. It benefits from excellent road links with the City, public transport and park & ride facilities, which will be further strengthened by the completion of the AWPR, serving as a crucial link to all of the Strategic Growth Areas. Westhill will benefit from a direct dual carriageway link with the AWPR and the delivery of a major junction in proximity to the existing settlement boundary. Accordingly, both the AWPR and Westhill should be identified as falling within a SGA and benefit from specific housing and employment allocations. Aberdeen City Council's recent decision to relocate Aberdeen Football Club's new stadium complex and training facilities to the Kingsford site on the outskirts of Westhill, further reinforces the town's capacity for strategic growth. Westhill must be the focus for more than just local growth over the course of the SDP plan period.

The introductory paragraph of the MIR highlights the next SDP will set a framework for development in the City and Shire for the next 20 – 25 years. To suggest that existing infrastructure challenges would make it "too risky" to identify the west of Aberdeen for strategic growth is not acceptable. The SDP needs to be much more proactive. My client believes that the SDP should set a clear direction for growth to the west of Aberdeen through the identification of land, both for early delivery and Strategic Reserve Land, which will benefit from the new AWPR and also form the basis of strategies geared toward resolving any existing infrastructure issues.

The employment areas located in Westhill harness a unique and highly skilled workforce. Indeed CALA's Aberdeen office is located within the successful Kingshill Business Park. The area is also recognised as one of the largest concentrations of subsea engineering expertise in the world. This cannot continue to be ignored, especially as we are emerging from a restructuring within the Oil and Gas sector over the past number of years. The SDP should seek to harness this expertise and send out a message of confidence through formal recognition of Westhill as an area for planned future growth.

Main Issue / Question Number:	3. Do you agree with the Preferred Option that the new plan should protect the junctions of the Aberdeen Western Peripheral Route from inappropriate speculative development?
<p>My client recognises the benefits in relation to the eagerly anticipated completion and operation of the AWPR when it opens later this year. The bypass will facilitate the free flow of traffic and ease historic congestion within the confines of the city. It is therefore recognised that this should not be compromised through inappropriate development. However, my client also recognises the potential this new major transport corridor will have in unlocking a number of sites for high quality development that would benefit from close proximity to key junctions and the sustainable transportation benefits it will offer.</p> <p>The SDP should aim to strike a balance between the proposed and preferred MIR options, in recognition that the route offers potential for growth. The suggested wording of the preferred option states that “any development proposals” near the AWPR junctions should come through the LDP process. This however would be overly restrictive to the detriment of well-planned development proposals. SPP promotes the “right development in the right place” and its principles include making efficient use of existing capacities of land, buildings and infrastructure, therefore a blanket ban on development in close proximity to this major new piece of infrastructure would run contrary to such principles. It may therefore be more appropriate to suggest that any “Major” development proposals should be restricted to the LDP process, allowing for smaller scale speculative applications, which could be considered on their own merits.</p>	

Main Issue / Question Number:	4. Do you agree that the Preferred Option for the new plan should focus on the towns of Banff, Macduff, Fraserburgh and Peterhead for regeneration
<p>My client disagrees that the new SDP should solely focus its regeneration priorities on these four towns alone. Regeneration should be viewed as a priority throughout the SDP region, setting out strategies for injecting life and economic activity into many rural communities which have experienced neglect and decline over the years.</p> <p>Aberdeen City Centre must also remain a focus for regeneration. Whilst the MIR briefly highlights the ongoing work as part of the City Centre Masterplan, my client feels that the importance of the City Centre Masterplan needs to be strongly emphasised within the SDP and it too should be included as a “hotspot” for regeneration activity.</p>	

Main Issue / Question Number:	5. Do you agree that we should present an optimistic view of future economic growth in the new plan?
<p>CALA Homes (North) Ltd believes that an optimistic view of future economic growth and resilience should underpin the new plan’s aims and aspirations. Additionally, the Plan should provide sufficient flexibility to facilitate higher levels of growth than the previous few years as a result of a fall in global oil price. The SDP plans for the next 20 -25 years, and the city region must remain competitive on a global stage, attracting inward investment and promoting innovation and growth across all sectors to meet economic diversification expectations by 2040, in the face of a global shift away from a reliance on fossil fuels. The SDP cannot, therefore, be viewed as planning for decline.</p>	

Main Issue / Question Number:	6. Do you agree with the Preferred Option that the new plan should delay releasing safeguarded employment land until after 2030 and look at improving existing employment areas for future use?
<p>Given the high levels of employment land and the buoyant supply of vacant office and industrial floor space across the City and Shire, my client is in broad agreement that the employment land currently identified as Strategic Reserve (2027 – 2035) continues to be safeguarded for release post 2030. My client strongly agrees with the MIR’s suggestion of a detailed review of existing employment sites, particularly more historic stock and vacant land to ensure they are fit for purpose.</p> <p>In that respect, the new SDP should recognise that flexibility is required when considering alternative new uses on those sites. Support should be given to proposals which may not fit neatly into the more traditional employment Use Classes 4, 5 and 6, as per existing LDP requirements relating to allocated employment land across the City and Shire. This would ease existing restrictions on vacant/disused sites which have little prospect of securing new occupiers for traditional employment uses, and look to diversify these areas for appropriate alternative uses, which could provide equal employment opportunities in leisure, retail and tourism sectors. These disused brownfield sites may also prove suitable for residential development or local authority-led affordable housing schemes.</p>	

Main Issue / Question Number:	8. Is there anything more that the planning system should do to support sustainable economic growth?
<p>The SDP should explicitly acknowledge the positive relationship between home building and sustainable economic growth. The delivery of new homes creates both direct and indirect benefits social and economic benefits to the region.</p> <p>Therefore, to support sustainable economic growth in the north east, the SDP must plan to meet the demands identified in the HNDA, providing for a range of sizes and locations of new housing sites across the city region to allow the delivery of new homes which will support growth.</p>	

Main Issue / Question Number:	10. Do you agree that the housing supply target should be based on a composite scenario rather than directly on any of the three scenarios identified in the Housing Need and Demand Assessment?
<p>My client has concerns in relation to the MIR's identified Housing Supply Target (HST). There appears to be very little evidence or justification provided in respect of how the figures have been arrived at, which conflicts with the requirements of SPP Paragraph 115, which requires "compelling evidence" to back up the HST. Additionally, the proposed Allowances do not appear to correlate with the proposed Housing Land Requirement. My client would seek further clarity on this.</p> <p>The proposed "composite" growth scenario does not reflect any of the actual HNDA scenarios. Instead it is based on past/recent trends to try and justify a relatively unambitious growth plan for the period 2016 – 2030. This is not a recognised methodology. Why set the target for the next five years with one that reflects completion levels achieved in 2016 (1,950 homes a year)? The North East was in the midst of a period of uncertainty created by a global drop in the price of oil, when house completions would naturally have reflected lower numbers than previous years. As we emerge from that period of volatility, there are positive signs of stability and optimism returning to the market. Continued growth in the economy is predicted as sentiment in the Aberdeen oil and gas industry improves. At the time of writing, the price of oil has stabilised at around \$78 a barrel. This confidence will of course have a positive knock-on effect on the housebuilding industry, therefore my client believes the Housing Supply Targets should be set to reflect a more optimistic growth plan.</p> <p>The current SDP sets clear aspirations to be building 3000 homes per annum by the year 2020, yet the MIR suggests a target of only 2,100 - 2,200 homes per year in the period 2020 – 2030. My client is concerned that the MIR's assertions are significantly short of existing aspirations, therefore the MIR housing section appears to be planning for decline. My client maintains that setting the HST at the suggested MIR levels sends out a negative message. Such low targets impact on the Housing Land Requirement (HLR), thus creating unnecessarily conservative Housing Land Allowances beyond what is considered to be the Existing Effective Supply as identified within table 6 of the MIR, particularly in the 2016 – 2030 period. My client feels a total allowance of 5,500 homes within this period demonstrates a lack of ambition for</p>	

future growth and continues to rely heavily on an established land supply, which has a substantial number of strategic sites which have failed to deliver at their projected rates over the previous 5 years. Indeed, the MIR highlights a shortfall of 2,769 from the SDP requirement between 2011 and 2016. The requirement for these homes has not gone away, and requires to be carried forward into the HLR within the next Plan.

My client would request that the SDP adopts the alternative MIR option, utilising the high growth scenario contained within the Housing Needs and Demand Assessment (HNDA). This proposes house building levels closer to the 3,000 homes per annum target as contained within the current SDP. In turn, this would boost the Housing Land Requirement for the region over next SDP period, creating more ambitious Housing Allowances as a result, which would continue to boost market confidence and ensure sustained future growth.

Main Issue / Question Number:

11. Do you agree that we should assume continued funding for affordable housing at 2020/2021 levels from the Scottish Government for the whole of the next plan period?

Given the Scottish Government's commitment to the delivery of affordable housing, CALA Homes (North) would agree that the MIR preferred option assumes funding levels remain similar to the agreed 2020/2021 levels over the course of the next plan period. My client would however request that sufficient amounts of land needs to be allocated to ensure the continued delivery of affordable housing as new mainstream housing developments come forward. My client welcomes the MIR's confirmation that there will no plans to increase the 25% obligation for affordable housing. Instead the focus should be on securing flexible and alternative delivery mechanisms such as Council-led partnership initiatives to deliver fully affordable development sites. Whilst 25% delivery is the current requirement for all sites in the City and Shire, recognition of viability implications on some sites need to be considered to ensure their ultimate delivery is not compromised.

Similarly, the Aberdeen City Centre Masterplan has an objective to create a "living city for everyone" and aims to add some 3,000 new residents to the city over the next 25 years. The MIR touches on this briefly under its section on regeneration, however in order to unlock city centre sites and bring forward new housing proposals to meet these ambitious demands, a degree of flexibility must be provided. City Centre brownfield sites will often experience more constraints and extraordinary development costs, therefore a relaxation in current affordable housing requirements would serve as a strong incentive for delivery of new housing in the City Centre.

Main Issue / Question Number:	12. Do you agree that significant generosity should be included in the early years of the plan but, for the later periods, no generosity should be added? This would be subject to review in future plans.
<p>In general, my client agrees that there should be significant generosity included within the Housing Land Requirement (HLR) in the early years of the plan and would encourage the proposed application of 20% generosity. However this generosity should be extended across the entire plan period, not just the early years. As highlighted in response to question 10 above, the Housing Land Requirement is considered to be too low, based on the HST set out within the MIR. Adopting out a more ambitious growth plan, by increasing the HST to reflect HNDA growth scenario 3, would provide a greater HLR.</p>	

Main Issue / Question Number:	13. Do you agree that our Preferred Option should allow Local Development Plans to make some further housing allowances?
<p>CALA Homes (North) Ltd strongly agree that additional housing allocations are required beyond existing LDP allocations to ensure a healthy land supply is maintained at all times. My client however maintains concern over the proposed allowances within the MIR as they do not appear to correlate with the Housing Land Requirement when deducted from the Existing Effective Housing Land Supply. Further clarity on the figures needs provided. The suggested allowance of 5,500 homes up to 2030 is much too low and completely unambitious when planning for future growth and prosperity across the region.</p> <p>At the time of publication of the MIR, the 2017 Audit had been agreed and was publicly available and should have been used for the purposes of the MIR as the most up to date evidence base available at the time. The 2018 audit is likely to be agreed prior to the publishing of the Proposed MIR and my client would request that this forms the basis of establishing the Effective Housing Land Supply.</p> <p>In recognition of the previous shortfall of 2,769 homes in the period 2011 to 2016 from the SDP requirement, as well as existing SDP's aspirations to move toward building 3,000 homes per annum by 2020, a more ambitious Housing Supply Target must be set. My client would request that this be set in line with Scenario 3 within the HNDA. . In the year 2016 -2030, scenario 3 would create a Housing Land Requirement of 41,173. Even when adding a lower degree of generosity at 10%, the resultant Allowance when deducted from the Existing Effective Supply equates to 11,570. A much more ambitious plan for growth than the 5,500 quoted within the MIR. This would allow the LDPs to allocate further sites, with a focus on areas which have proven market demand and are deliverable to ensure a healthy land supply going forward.</p>	

Main Issue / Question Number:	14. Do you agree that any new greenfield allocations should preferably be under 100 houses in size?
<p>My client acknowledges there should be continued work undertaken to facilitate quicker delivery of existing LDP allocations, however these should not be an impediment to new sites coming forward. Whilst there should be a maintained focus on delivery, restricting all new greenfield allocations to below 100 homes, is not perceived to be the best way to ensure delivery of sites. Accordingly, a range of sites of various sizes, providing variety and choice in areas where there is proven market demand should be the preferred option. There would be a concern that allocating too many smaller scale sites could present the same infrastructure requirements as a smaller number of strategic allocations, which can achieve the required economies of scale to deliver the infrastructure requirements, such as transport requirements, new schools and community facilities. An over-reliance on small sites could lead to future viability issues and a lack of joined up thinking of infrastructure delivery.</p>	

Main Issue / Question Number:	16. Do you agree that the next Strategic Development Plan should continue to identify regionally significant long-term transport projects and cumulative transport interventions?
<p>My client is in general agreement that the SDP is an appropriate document to identify long term, strategic transport projects and cumulative interventions. However the MIR fails to providing clarity on timescales and responsibilities for the delivery and funding of these key pieces of infrastructure. My client would request further information on this.</p> <p>In previous years there has been an overreliance on the development industry to fund these projects. The previous STF was effectively a development tax and served to add a further financial burden on the housebuilding industry, often leading to exorbitant costs being placed on sites in addition to standard developer obligations, which could often place viability constraints on sites. The STF has since been quashed by the Supreme Court, who deemed it to be unlawful. We therefore remain in a state of flux, with identified projects yet to be delivered, stymieing further development in those areas and an apparent lack of detail and clarity within the MIR on how investment in those projects will be made.</p>	